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Department of Revenue

GUIDE TO MONTANA BUSINESSES

Income & Miscellaneous Tax Division

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State of Montana

Ted Schwinden, Governor

Department of Revenue
John D. LaFaver, Director

Income and
Miscellaneous Tax Division
Gregg Groepper, Administrator

INTRODUCTION TO BUSINESS TAX BOOKLET

One of the more frustrating aspects of starting a business is the difficulty one sometimes encounters in running down the necessary paperwork. This booklet, along with organizational changes we've recently made in the Department of Revenue will hopefully make that task a little easier.

Our goal in creating this booklet was to combine, in one location, all the tax information and forms necessary for a business to deal with the Income and Miscellaneous Tax Division of the Department of Revenue. With the exception of property tax and corporation tax, you'll find all the information needed to get started with Montana tax reporting in this booklet.

Because this is our first attempt, I'm sure you'll think of ways we can improve this booklet in the future. That's why we're sending it out to all business taxpayers this year. We want to make sure we have let you know about all the business taxes administered by this division. We also need your constructive criticism on how to make this booklet most useful to businesses starting in Montana, or thinking about starting in Montana.

I hope you find this booklet useful, and our Business Tax Section helpful. Please give us a call at 406-444-3388 if you need any help.

Sincerely,

Gregg Groepper

Gregg Groepper, Administrator
Income and Miscellaneous Tax Division

WHO'S IN CHARGE

PHONE #(406)444-3388

Tax Program Supervisor	Charlotte Maharg	
Accommodation Tax	Betsy Phillips	Robin Balkema
Camper Decals Consumer Counsel Emergency Telephone Freightlines Tax National Housing Public Service Commission Tax Rural Electric & Cooperatives Store License Telephone Co. License Tax Tramway Tax	Bill Alger	Melanie Ortloff Patti Roberts Bill Kloker Bob Conway
Cigarette License Tax Cigarette Tax Minimum Cigarette Price Tobacco Products Tax	Bob McGee	Monte Nick Robin Balkema Betsy Phillips
Contractors Gross Receipts Tax Dangerous Drug Tax	Bob Conway	Bill Kloker Monte Nick
Withholding Tax	Wanda Keller	Velva Bengston
Accelerated Filers Withholding Tax	Melanie Ortloff	

HELP!

If you have a special situation not covered in this guide or if you just need some help, please call us at (406)444- 3388.

GENERAL INFO

HEARINGS

Any taxpayer may request reconsideration of any business tax assessment made by the department. Hopefully any difference of opinion can be resolved informally, but if it can't you are entitled to an impartial hearing. The request for a hearing must be made within 30 days of the notice of adjustment. The department has an independent hearings officer to hear such appeals. For more information on how to request a hearing contact the Business Tax section at (406)444-3388.

WAIVERS

Any taxpayer may request a waiver of penalties and/or interest if reasonable cause exists. The law allows for the waiver of penalties under certain circumstances. Simply write a letter stating all the reasons why the report and/or payment was filed and/or paid late.

Send it to the Department of Revenue, Business Tax Section, Box 5835, Helena, MT 59604. When it is received we will evaluate each request on a case by case basis. Abatement or waiver of a penalty and/or interest will be considered the exception rather than the rule. As soon as the evaluation is completed the taxpayer will receive the decision in writing.

PENALTIES

Accommodations Tax

Failure to file the return or pay the tax will result in a penalty of 2% of the tax that was collected or should have been collected.

Interest is 1% per month (or any portion of a month) on the tax due.

If a return is not filed or information is not supplied, the department will estimate the tax from available information.

Camper Decals - A misdemeanor punishable by a fine not exceeding $25.00.

Cigarette Tax - If any person fails or refuses to pay the cigarette tax required when due, the department will estimate the tax due from information available and assess the tax as estimated. Plus penalty. The penalty is 5% of said tax or $5.00 per day for each day after the date of notice, whichever is greater.

Cigarette Licensing - Any person selling or offering to sell any cigarettes without a current and valid license is guilty of a misdemeanor and is punishable by a fine of not less then $100.00 or more than $500.00 or imprisonment in the county jail for not less than 30 days or more than 6 months or both. They will also have said license revoked for a period of 1 year.

Cigarette Minimum Price Law - Any retailer or wholesaler who offers to sell, advertise or sell at retail or wholesale cigarettes at less than minimum price is guilty of a misdemeanor and will be prosecuted and punished by a fine of not more than $500.00 for each offense.

Contractors Gross Receipts Tax - Any person failing to file a contractors license return as required shall be fined not less than $1,000.00 or more than $10,000.00

Dangerous Drug Tax - Penalty is 10% of tax due plus 1% per month interest.

Freightline Tax - License taxes due under this chapter become delinquent if not paid by March 1st. A penalty of 10% of the amount of license tax plus interest at the rate of 1% per month computed on the total amount of license taxes and penalty.

Store License Tax - Any violation of the store license provision is a misdemeanor and will be fined not less than $25.00 or more than $200.00

Telephone Company License Tax - License taxes due under this chapter become delinquent if not paid within 60 days after the end of each calendar quarter. A penalty of 10% of all delinquent taxes plus 1% per month interest will be added to the amount due.

Tobacco Products Tax - Any wholesaler of any other tobacco products other than cigarettes without first paying the tax is guilty of a misdemeanor and will be stopped from selling tobacco products for a period of not less than 1 month or more than 1 year. It is also unlawful for any person to sell any tobacco products without having paid the tax. This is a misdemeanor punishable by the fine of not more than $500.00 or imprisonment of not more than 6 months.

Withholding -
Failure to Withhold Tax - If an EMPLOYER fails to withhold tax from WAGES as required, the employer becomes liable for the taxes which should have been withheld, unless already paid by the employee. However, all penalties, interest or other additions to the tax will be computed and assessed based on the total tax which should have been withheld.

Failure to pay - over amounts withheld within the time provided for payment, and use of such amounts in forwarding the EMPLOYER'S Business pursuits, is deemed to be an illegal conversion of trust monies.

Late Filing of Return - A penalty equal to the greater of $5.00 or 5% of the tax due is charged when a return is not filed when due, unless reasonable cause is shown.

Failure to Pay Tax when Due - A penalty equal to the greater of $5.00 or 10% of the tax due is charged when the tax is not paid when due, unless reasonable cause is shown. In addition, interest accrues at a rate of 9% annually on the tax due until paid.

Failure to Provide Earning Statements - A $5 penalty per W-2 (minimum $50.00) will be assessed on employer accounts when wage statements are postmarked after the deadline date (Feb. 15).

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ACCOMMODATION TAX

Glossary of Terms

Facility
is a building, a group of buildings, or an area recognized as a single facility. (The term includes a hotel, motel, campground resort, dormitory, condominium, inn, dude ranch, guest ranch, hotel, public lodginghouse, or bed and breakfast facility).

A facility may contain several lodging facilities (unit or spaces) used for sleeping or resting, including a single area within a campground.

User
is the person(s) renting lodging facilities.

Owner (or operator)
of a facility is the person or organization who is responsible for the financial affairs of the facility. An owner or operator may hire a manager to manage the day-to-day operation. However, it is the owner or operator who has the final say in the business.

Accommodation Charge
is the fee charged for the use of the lodging facility (facilities), not including the tax.

ADAC
the average daily accommodation charge (ADAC) is the average room rate (not including the tax) for single occupancy of all units rented for single occupancy in a facility. **(ADAC - applies** only to hotel, motel, hostel, public lodginghouse or bed and breakfast).

For example:

A 40-unit facility has 10 units that are never rented for single occupancy, and 30 units that are rented for either single or other occupancy,

10 units rent for $15/night	=	$150
20 units rent for $12/night	=	$240
total rate all rooms	=	$390
divided by total units (30)	=	$ 13 ADAC

On charges for periods of 1-30 days the tax is based on what you charge. If you choose to rent it only by the week the tax is based on your weekly rate. However, if the room is rented on a daily basis the tax is on the daily rate you have established, not the weekly rate divided by 7.

Campground
is an area (publicly or privately owned) used for public camping: where people may camp, secure tents, or park individual recreational vehicles for camping and sleeping purposes. The tax is based on the site rate plus hook ups (electric, water, sewer, etc.). Campgrounds DO NOT fall under the $14.98 ADAC. (refer to pg. #2). This also includes city and/or county owned campgrounds and parks. Example: If your county is having a fair and you charge for camping sites, you are a taxable facility.

Gross Receipts
The total gross accommodation charges for use of lodging facilities, whether the charges were received in money or otherwise. This includes all receipts, cash, credits and property or services of any kind.

Non-Taxable Receipts
Means exempt accommodations charges such as charges that are uncollectable and written off during a specific quarter. Examples are NSF checks and any discounts which may have been included in the gross receipts but were not part of the net accommodations charge to the user.

Registration
Every business required by law to collect the accommodations tax must register their facility (facilities) with the Montana Department of Revenue.

Upon receiving your application, the Department will issue a special number for each facility. This number, used in conjunction with your Federal identification number, will ensure the taxes you collect are properly credited.

If you acquire a facility from another, you must apply for a new number. Your application will help ensure that you avoid potential claims against your business, (for example, the former owner's tax liabilities).

You must re-register with the Department of Revenue whenever there is a change in ownership, a change in the type of organization, or, if a corporation, a change in corporate officers.

What is the "Accommodations Tax"
Beginning July 1, 1987, people who stay in Montana lodging facilities must pay a 4% tax on the lodging charge. The tax is known as the "accommodations tax", (unofficially, the "bed tax").

Those who provide the lodging must collect the tax and forward it to the Montana Department of Revenue every three months (quarterly). Proceeds from the tax will be transferred to the Department of Commerce to be used to promote tourism in Montana.

Who Must Collect the Tax
First, is your facility taxable? To find out, compute the ADAC (refer to pg. #2). If ADAC is $14.98 or less nothing further is needed. You are not required to collect the tax.

Exempt Facilities
1) Health care facilities such as hospitals, rest homes, (defined in 50-5-101, MCA).

2) Youth camps owned or operated by nonprofit and religious organizations and primarily used for youth (under 18) for camping.

3) Temporary camps which are seasonal in nature and dismantled at the end of the season, e.g. guides/ outfitters. **DOES NOT APPLY TO CAMPGROUNDS.**

4) Hotels, motels, hostels, public lodginghouses and bed and breakfast facilities charging an average (ADAC) rate of $14.98 or less for a single room.

Exempt Charges
1) Rooms or spaces rented 30 continuous days or more to the same user.

2) Rooms or spaces located on an Indian reservation and rented to an enrolled Indian. (Record the enrollment number on the billing).

Being located on an Indian reservation does not exempt a facility from being registered and collecting the tax. The tax is on the user of the facility, not the facility itself.

3) Charges billed directly to and paid by the Federal government.
Example: The Forest Service calls your facility and wants you to block 5 rooms for 10 days. You send the bill and they pay you directly. No money is paid by the individual when they arrive. Tax exempt letters from other states presented by Federal employees are not valid. Montana does not honor these exemptions.

4) Rooms or spaces rented to a foreign diplomat who presents a tax exempt card issued by the U.S. State Department. (Record the card number on the billing).

How to Calculate the Tax
Now that you know your facility is taxable you must consider the rental period.
1) If rented for 30 continuous days or more the charge is not taxable.

2) If rented less than 30 days the charge is taxable unless the A.D.A.C. is $14.98 a day or less or is specifically exempted. (see page 6).

Regardless of what type of operation you have, if it's rented for 30 continuous days or more to the same user the charge is not taxable.

Resort, Condominium, Inn, Dude or Guest Ranches

These facilities do not fall under the A.D.A.C. of $14.98. After you have determined the rental period you need to determine if you have a set rate for a single person for a single night. If you do, that rate is what the tax is based on. If your facility has the rate combined with other charges, i.e., food, beverage, recreation, transportation, etc., the accommodation charges must be broken out of the total to determine the tax. Private owners of condominiums who rent their condos out by the night or week must be registered and collect the tax. If your condo is listed with a property management firm, the firm must be registered and remit the tax to the Montana Department of Revenue.

Lodging charges combined with food, beverage, recreation, transportation or other charges must be broken out of the total.

Suggested methods you may use to allocate the lodging portion are:

1. A flat rate of $24/day per person; or
2. 25% of all charges; or
3. Your own allocation based on a documented itemization of each charge.

Non Profit or Religious Organizations

If your facility is owned or operated by a non-profit or religious organization, (501(3)(c)IRS), and is primarily rented to youth under 18 years of age for camping, the facility is exempt.

Dormitory

If your facility is a dormitory, that charges for accommodations for person(s) involved in activities meeting any of the following 3 criteria are exempt from the accommodations tax.

1) Activities offered for college credit;
2) Activities offered primarily for students enrolled in primary or secondary schools, or universities, eg., computer camps, athletic camps, science camps, etc.;
3) Activities which meet all of the following criteria:
   a. Sponsored exclusively by a university;
   b. Staffed exclusively by university faculty;
   c. Contain an instructional component, e.g., a weekend workshop sponsored by MSU on agricultural practices and taught exclusively by faculty staff. Conversely, the AAU summer track meet for seniors would not be exempt.

The accommodations tax should be collected on lodging associated with any activities which do not meet the above criteria.

Quarterly Report forms

In September of each year, the Department of Revenue will send you a packet containing quarterly report forms. The form for each quarter must be completed and sent, along with payment, to the Department of Revenue. Address labels will be provided for your use. Remember, quarterly reports for seasonal facilities must be sent in every quarter even if you have no tax liability.

Due Dates

IMPORTANT: The below due dates vary by one day from employer withholding. Note them on your calendar.

Quarter Ends		Due By	
March	31	April	30
June	30	July	30
September	30	October	30
December	31	January	30

Postmark Date
There is no provision in the law for an extension. The postmark date is considered the date of filing. You have 30 days to prepare and file your quarterly reports. If you choose to mail the reports on the last day, it is important that you find out when mail will be postmarked.

Although mail may be placed in a receptacle one day, it may not be postmarked until the following day. To insure timely filing/payment, contact your local post office for postmark deadline information.

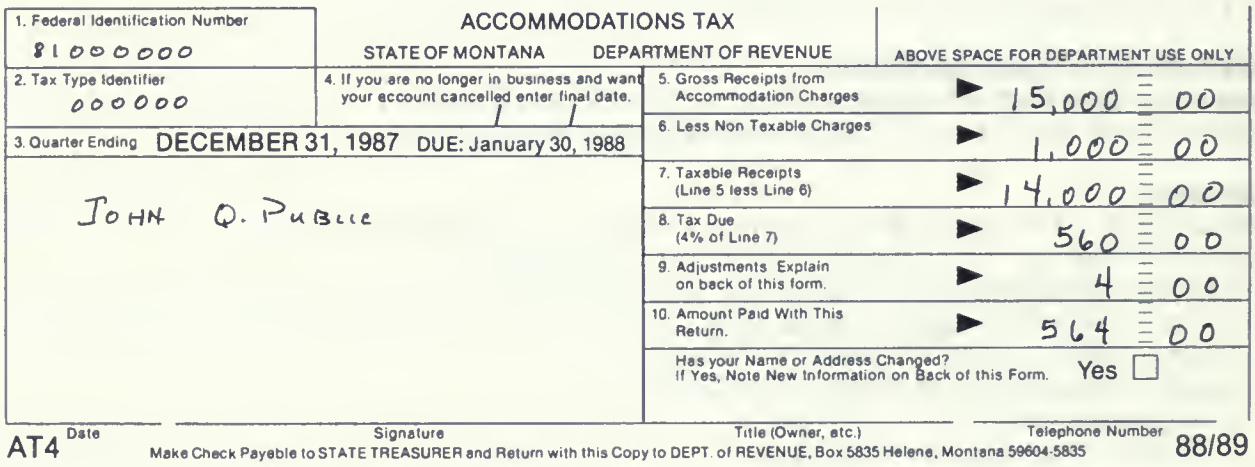
Reporting
The quarterly form asks for the following information:

. .Gross Receipts - All charges for lodging including those for credit. Credit card service charges do not reduce gross receipts. These are a cost of doing business.

. .Non-Taxable Receipts - Exempt charges, as explained on page 2, discounts and bad debts in the quarter.

. .Adjustments - Corrections from previous quarters.

Sample report:



1. Federal Identification Number	ACCOMMODATIONS TAX	
81000000	STATE OF MONTANA DEPARTMENT OF REVENUE	ABOVE SPACE FOR DEPARTMENT USE ONLY
2. Tax Type Identifier 000000	4. If you are no longer in business and want your account cancelled enter final date.	5. Gross Receipts from Accommodation Charges ► 15,000 00
3. Quarter Ending DECEMBER 31, 1987 DUE: January 30, 1988		6. Less Non Taxable Charges ► 1,000 00
JOHN Q. PUBLIC		7. Taxable Receipts (Line 5 less Line 6) ► 14,000 00
		8. Tax Due (4% of Line 7) ► 560 00
		9. Adjustments Explain on back of this form. ► 4 00
		10. Amount Paid With This Return. ► 564 00
		Has your Name or Address Changed? If Yes, Note New Information on Back of this Form. Yes ☐

Date | Signature | Title (Owner, etc.) | Telephone Number

AT4 Make Check Payable to STATE TREASURER and Return with this Copy to DEPT. of REVENUE, Box 5835 Helena, Montana 59604-5835 88/89

All gross receipts are to be reported in the quarter collected.

Example:
You rent the facility from December 23rd through January 3rd. The bill is paid January 3rd. The tax must be reported in the 1st quarter when it was actually collected, not in the 4th quarter when the facility was rented.

If you used the 4% chart provided by the department, the 4% computation may vary slightly because of rounding to the nearest penny.

For the purpose of determining the correctness of any return, we may request additional information to verify amounts or items on the return.

Penalty and Interest
Failure to file the return or pay the tax will result in a penalty of 2% of the tax that was collected or should have been collected.

Interest is 1% per month (or any portion of a month) on the tax due.

If a return is not filed or information is not supplied, the department will estimate the tax from available information.

Waivers

Montana law states that a penalty may be waived if you provide reasonable cause for failure to timely file and/or pay. Reasonable cause is defined: if the taxpayer exercised ordinary business care and prudence and was nevertheless unable to file and/or pay in a timely manner.

. .Ignorance and neglect are not grounds for reasonable cause. "The bookkeeper (my employee) was responsible," "the accountant did it," "I didn't have forms," **do not suffice as reasonable cause for waiver.**

Records Required Audit

You must maintain records necessary to document gross receipts from accommodation charges. For example: You may be required to substantiate gross receipts reported for a particular quarter. Reconstruction of the reported gross receipts from the original accommodations receipts will be required for audit purposes.

Such records must include specific documentation of exempt charges.
The records must be maintained by the owner/operator of a facility for a period of five years, and will be subject to audit by the Department of Revenue for that period.

HELP!

If you have a special situation not covered in this guide, or if you need some help, please call us at (406) 444-3388.

Camper Certificate Decal

This law is regulatory in nature and insures the payment of fees in lieu of personal property tax on campers. This does not include canopies or toppers weighing less than 300 pounds.

The decal fee is $1 per year. It is due when the motor vehicle tax to which the camper is customarily attached is due. The payment is made to the county in which the motor vehicle is licensed. The decal expires one year from date of application.

DEPARTMENT OF REVENUE

APPLICATION FOR CAMPER DECAL NUMBER

NEW DECAL NUMBER ASSIGNED

Truck Camper ☐ Chassis Mounted Camper ☐

SERIAL NUMBER _____ PREVIOUS DECAL NO. _____

MANUFACTURER OR MAKE _____ PREVIOUS CASHIER NO. _____

YEAR BUILT _____ LENGTH _____ DECAL FEE _____

LIST PRICE _____ COUNTY ASSESSED _____

NAME, ADDRESS AND ZIP CODE

Coach Design:
- ☐ Cab Over
- ☐ Half Cab Over
- ☐ Non Cab Over
- ☐ Telescopic
- ☐ Telescopic Cab Over

FOR PERIOD FROM _____

TO _____

TAX EXEMPT ☐ TAXES PAID

ASSESSOR'S SIGNATURE TREASURER'S SIGNATURE

TAKE THIS APPLICATION TO YOUR COUNTY ASSESSOR

CIGARETTE TAX

The cigarette tax is 16 cents on each package containing not more than 20 cigarettes. When a package contains more than 20 cigarettes the tax on each cigarette is equal to 1/20th the tax on a package containing not more than 20 cigarettes ($.008).

This tax is paid by the wholesaler and is passed on to the consumer in the price of the cigarettes. It applies to cigarettes brought into and sold in Montana.

When cigarettes are brought into Montana they must be stamped with the cigarette tax insignia within 72 hours. This stamp can only be used by wholesalers who have the approval of the Department of Revenue to use tax stamping equipment. All unstamped cigarettes must be obtained from cigarette manufacturers.

All cases of unstamped cigarettes must be marked immediately after receipt with the date of receipt, and must be kept in a secure area away from all stamped cigarettes so there is no danger of removing them with stamped cigarettes. It is a misdemeanor to transport, sell or use cigarettes that have not been stamped, unless they are specifically exempt.

Each month each cigarette wholesaler must file a cigarette distributor's tax return, (form CT 205). This return is to be filed with the Department on or before the 15th day following the period for which the form is prepared. It contains 3 parts. Part 1 is an inventory and tax summary. Part 2 is an inventory of meter units and hand applied decals purchased during this period, and Part 3 is a distribution of cigarettes exempt from taxation, i.e. cigarettes sold to military, Indian reservations smoke shops or sold in interstate commerce.

A completed form (CT 206) Cigarette Tax Exemption Certificate must be included with the cigarette distributors tax return for each sale made to a smoke shop. This form contains the wholesalers name and address and the smoke shop's name and address, tribal enrollment number of owners and number of tax exempt cigarettes sold.

Cigarette manufacturers may obtain a refund of cigarette tax on unsalable cigarettes, upon which Montana cigarette tax has been paid.

A form CT-203, application for a refund of cigarette tax must be completed by the manufacturer and submitted to the Department of Revenue, along with copies of the credit memos or other documents sent to the wholesaler indicating that credit or refund of the Montana cigarette tax has been issued. Refunds of cigarette tax are issued only to manufacturers of cigarettes.

CT-201 2,4,7 (Rev 5-87)

ORDER FOR MONTANA METERED CIGARETTE TAX OR HAND APPLIED CIGARETTE TAX DECALS

Current Wholesale Cigarette License No. _____

OFFICE USE ONLY

TO: DEPARTMENT OF REVENUE
INCOME & MISCELLANEOUS TAX DIVISION
MITCHELL BUILDING
HELENA, MONTANA 59620

Date _____, 19____

Trade Name _____
(Name of License Holder)

Street and No. _____ County _____

City _____ State _____ Zip Code _____

☐ **CREDIT PURCHASE**

Credit purchases are allowed only if there is on file with the Montana Dept. of Revenue Income and Miscellaneous Tax Division a cigarette tax bond in the amount required by Section 16-11-117, Montana Code Annotated and authorization has been given to the County Treasurer by the Income and Miscellaneous Tax Division.

☐ **CASH PURCHASE**

Remittance, made payable to the Department of Revenue or the State Treasurer, **Metered units only** collected by the County Treasurer prior to meter setting and submitted with this form.

METER UNITS

Reading of Register before setting Meter No. _____

Ascending (1) _____ Descending (2) _____

Reading of Register after setting

Ascending (3) _____ Descending (4) _____

Total settings to date: Line 3 + 4 = (5) _____

CIGARETTE TAX METER UNITS are requested as follows:

_____ Meter Units @ $1.60 ..	
Less Discount	
Net Value of Order	

_____
Signature of Person Delivering Meter

Form is to be completed by County Treasurer and mailed to the Miscellaneous Tax Section on the day the meter is set.

Order Filled by _____
County Treasurer *County*

HAND APPLIED DECALS

HAND APPLIED DECALS are requested as follows:

For packages of 20 cigarettes		For packages of 25 cigarettes	
_____ Decals @ $ .16		_____ Decals @ $ .20	
Less Discount		Less Discount	
Net Value of Order		Net Value of Order	

_____
Signature

CIGARETTE TAX EXEMPTION CERTIFICATE

TO: INCOME & MISCELLANEOUS TAX DIVISION
DEPARTMENT OF REVENUE
MITCHELL BUILDING
HELENA, MONTANA 59620

DATE _____ 19_____

SOLD BY: _____ _____
(Wholesalers Name) Cigarette License Number

ADDRESS _____ _____ _____
City State Zip Code

SOLD TO: _____
Business Name

_____ _____
Street and Number County

_____ _____ _____
City State Zip Code

_____
Name of Tribe

_____ _____
Tribal Enrollment Number Social Security Number

Number of Cartons of Tax Exempt Cigarettes Sold _____

Date of Delivery _____, 19_____

Signature of Purchaser _____

Signature of Wholesaler _____

Instructions:

Send copy of this (form CT-206) together with the (form CT-205) to the Department of Revenue by the 15th day of the month following sale of unstamped cigarettes.

NOTICE !

This form must be in the possession of the driver of any private vehicle transporting unstamped cigarettes.

Form No. CT-206

DEPARTMENT OF REVENUE
INCOME AND MISCELLANEOUS TAX DIVISION
MITCHELL BUILDING
HELENA, MONTANA 59620

CIGARETTE DISTRIBUTOR'S TAX RETURN

Name:

Address:

City, State, Zip:

Period Begun: _____

License No. _____

Period Ended: _____

To be filed on or before the 15th day following the period for which this return is prepared.

PART 1—CIGARETTE STOCK AND TAX SUMMARY — NUMBER OF CIGARETTES

1. Inventory unstamped Cigarettes—First of Period ..... _____
   (Include stamped cigarettes with other state stamps affixed.)
2. Received from Manufacturers (Schedule A attached) ..... _____
3. Total Cig. (unstamped) to be accounted for Total of Lines 1 and 2 ..... _____
4. Deduct: Inventory (unstamped) Cigs.—End of Period ..... _____
   (Include unstamped cigarettes and cigarettes with other state stamps affixed.)
5. Total Cig. distribution during period ..... _____
6. Deduct: Tax exempt distribution (Part 3) ..... _____
7. Taxable distribution ..... _____

PART 2—UNAFFIXED STAMP AND METER UNIT SUMMARY

	Column A Meter Units	Column B 20-pack stamps	Column C 25-pack stamps	Total of Col. A, Col. B, Col. C
8. Beginning of period inventory(ies)	$_____	$_____	$_____	$_____
9. Tax value purchased during period	_____	_____	_____	_____
10. Total tax value of inventory and Purchases	_____	_____	_____	_____
11. Deduct: Period ending inventory	_____	_____	_____	_____
12. Total tax value of stamps and meter units available	_____	_____	_____	_____

13. Deduct: Number of damaged stamps and/or meter impressions cancelled during this reporting period. ..... _____
14. Total tax value of stamps and meter units affixed during period to be accounted for ..... _____
15. Taxable Distribution _____ (line 7 above) × .008 per cigarette ..... _____
16. Difference between line 14 and 15 above ..... _____

I declare under the penalties for false swearing that this return (including any accompanying schedules and statements) has been examined by me and, to the best of my knowledge and belief, it is a true, correct, and complete return.

Distributor: _____

By: _____

Date: _____

Title: _____

Form CT-205

PART 3—DISTRIBUTION EXEMPT FROM MONTANA STAMPS OR IMPRESSIONS	Number of Cigarettes
1. Sold to interstate or foreign passenger common carriers	
2. Sold to U.S. Military and Veterans Administration Commissaries	
3.	
4.	
5.	
6.	
7. Total distribution per attached Schedule "C"	
8. Total Exempt Distributions (to Part 1, Line 6)	

SCHEDULE A—CIGARETTE DISTRIBUTOR'S TAX RETURN

DEPARTMENT OF REVENUE, STATE OF MONTANA
Income and Miscellaneous Tax Division

Distributor's Name _____ Month of _____ Page _____

License No. _____ NUMBER OF CIGARETTES

(1) Date Received	(2) Invoice Date	(3) Invoice No.	(4) American	(000)	(5) Brown & Williamson	(000)	(6) Liggett & Myers	(000)	(7) P. Lorillard	(000)	(8) Philip Morris	(000)	(9) R.J. Reynolds	(000)	(1) Other Name	(1) Other Amount
TOTAL THIS PAGE																
SUMMARY TOTAL (Total of SUMMARY) TOTAL to PART 1, Line 2)																

Schedule A

Form No. CT-203

STATE OF MONTANA
DEPARTMENT OF REVENUE

APPLICATION FOR REFUND OF CIGARETTE TAX

(Title 16, Chapter 11, Part 1, MCA)

Manufacturer requesting refund: (Provide complete address to which refund is to be sent)

The Undersigned, having unsalable cigarettes upon which Montana cigarette tax has been paid hereby makes application for refund of such tax, to wit:

Number of meter units (cartons) claimed for refund	_____
Value at $1.60	$_____
Less 3% discount	$_____
Amount to be refunded	$_____

State of _____
County of _____ } ss.

_____, being first duly sworn, on oath deposes and says: That he is the _____ of the above named applicant, that he has personal knowledge of the matters above set forth; that the cigarettes are not salable, and that the cigarette tax meter units listed above and which are submitted for refund are all State of Montana cigarette tax insignia which are affixed to the unsalable cigarettes; that credit or refund for the net cost of the tax insignia has been given to a Montana cigarette wholesaler and that the cigarettes will not be sold at any time.

_____
Signature of affiant

Subscribed and sworn to before me this _____ day of _____, 19____.

_____
Notary Public

INSTRUCTIONS FOR FORM PREPARATION

1. Submit refund application in original copy only, to Department of Revenue, Income and Miscellaneous Tax Division, Mitchell Building, Helena, Montana 59620.
2. Refund requests must have attached xerox, carbon or other type copies of the credit memos or other document sent to the wholesaler indicating that credit or refund of the Montana Cigarette Tax has been issued.

SCHEDULE "C"

Cigarettes transported from the State of Montana to points within State of _____ (Name of State)

Department of Revenue, State of Montana,
Helena, Montana 59601

_____, 19____

NAME _____ LICENSE NUMBER _____

ADDRESS _____

Date of Shipment	Name and address of person or business firm to whom cigarettes were shipped. Show address where delivered if different.	Name and address of I.C.C. licensed carrier or post office insurance or registery receipt number	Invoice		Number of Packages	
			Date	Number	Unstamped	Stamped

Total NUMBER OF CIGARETTES listed on Schedule "C" to be entered in PART 3, Line 7 of *CT-205*

End of Period Inventory of Cigarettes with OUT-OF-STATE Stamps Affixed: _____ Packages

TAX SUMMARY FOR THE STATE OF _____

1.	Inventory of Stamps and Meter Impressions on Hand First of Month	_____	
2.	Stamps and Meter Impressions Purchased	_____	_____
3.	Deduct ending Inventory	_____	
4.	Deduct Damaged and Returned Stamps	_____	
5.	Total Stamps and Meter Impressions Used		

CIGARETTE LICENSE - MINIMUM PRICE LAW

It is unlawful to sell cigarettes or tobacco products without a valid license.

Every wholesaler, subjobber retailer, or vendor shall obtain a license from the department before engaging in the business of selling cigarettes or tobacco products. A separate license is required for each place of business in Montana.

License Fees:	Annual renewal (7-1 to 6-30);
Wholesaler	- $50.00
Subjobber	- $50.00
Retailer	- $ 5.00
Vendor	- 1-9 machines $5.00
Vendor	- 10 or more machines $50.00

Each license must be prominently displayed on the licensed premises. Each vending machine must have a decal in a prominent position on the machine.

Any person selling cigarettes in Montana must comply with the provision of the Cigarette Sales Act, or minimum price law, as it is commonly referred to.

A cigarette license application may be obtained from:

Department of Revenue
Income & Miscellaneous Tax Division
Business Tax Section
Mitchell Building
Helena, MT 59620
(406) 444-3505

STATE OF MONTANA

DEPARTMENT OF REVENUE

APPLICATION FOR AND CIGARETTE LICENSE

OFFICE USE ONLY

This application becomes a current license for the above period after it has been validated by cashier number in the upper right-hand corner and Department Seal in the lower left-hand corner.

In the box below enter the following information or make necessary corrections to the preprinted information, Line - 1 - Business Name; line 2 - Owner's or Corporation Name; Lines 3 and 4 complete mailing address including zip code. If the mailing address does not include street address of the premises to be licensed, show such information below.

1.
2.
3.
4.

If business is owned by an individual or partnership provide owner(s) social security number(s).

If business is owned by a corporation provide federal taxpayer identification number in first block above. List names of owners or principals below.

If business was sold or discontinued give name and address of buyer and date sold

Application for Wholesale License. Fee $50.00 ☐

Application for Sub-jobbers License. Fee $50.00 ☐

Over-the-Counter Sales. Fee $5.00 ☐

This license must be prominently displayed on the licensed premises.

Do Not Separate White and Yellow Copies

This License Is Not Transferable

OFFICE USE ONLY

Application for Cigarette Vendors License:

1-9 Machines Fee $5.00 ☐

10 or More Machines. Fee $50.00 ☐

This application must be completed in its entirety and signed. Return both copies to Department of Revenue, Mitchell Building, Helena, Montana 59620 with proper fee before June 30.

(Signature of Owner)

_____ 19____.

Dated

STATE OF MONTANA
CIGARETTE VENDING
1988 **MACHINE** 1989

License Holder _____

Address _____ City

License Number _____

SUPPLEMENTAL SCHEDULE OF CIGARETTE VENDING MACHINES
(Submit with Application for Cigarette Licenses)

Business Name _____

Owner's Name _____

Mailing Address _____

DECALS ARE REQUESTED FOR THE FOLLOWING CIGARETTE VENDING MACHINES:

SERIAL NUMBER	MACHINE MANUFACTURER	LOCATION OF MACHINE

Total number of cigarette vending machines for which decals are requested _____

LOCATION CHANGES OF THE ABOVE AS WELL AS ADDITION OF NEW MACHINES OR DISCONTINUANCE OF OLD OR DAMAGED MACHINES MUST BE REPORTED PROMPTLY.

Form CL-301

CONSUMER COUNSEL

This is a tax imposed on all regulated companies, public or private, that are subject to regulation by the Department of Public Service Regulation or the Public Service Commission. The tax is based on a percentage of the gross operating revenues of the company. Private companies are taxed at .07% (.0007) and the municipalities are taxed at .06% (.0006).

All companies must file a quarterly report with their deposit, (form CC-500). The report is due 90 days after the quarter ends. The postmark is considered the filing date.

Quarter Ends		Due By	
March	31	June	29
June	30	September	28
September	30	December	29
December	31	March	30 following year

This tax funds the Consumer Counsel Office. The Counsel represents the public on all matters which come before the Public Service Commission. They have all the rights and powers of any party appearing before the Public Service Commission regarding examination and cross-examination of witnesses, presentation of evidence, and other matters.

Form No. CC-500

MONTANA

CONSUMER COUNSEL TAX

DEPARTMENT OF REVENUE

(69-1-223 MCA)

STATEMENT OF GROSS OPERATING REVENUE WITHIN MONTANA AND TAX DUE

FOR QUARTER ENDING _____ 19____.

Name and Address of Regulated Company:

_____

_____

_____

_____

Indicate by check in proper box the broad general category of regulated service provided:

- ☐ **Motor Carrier PSC No.** _____
- ☐ **Railroad**
- ☐ **Natural Gas Supplier**
- ☐ **Electricity Supplier**
- ☐ **Water System, private**
- ☐ **Water System, municipal**
- ☐ **Telephone & Telegraph**
- ☐ **Pipeline**
- ☐ **Other [specify]** _____
- ☐ **Sewer System**

Is service generally provided statewide? ☐ **Yes** ☐ **No**

If not provided statewide indicate particular area for which service is provided: _____

_____

1. Gross Operating Revenue generated by all regulated activities within Montana for this calendar quarter, for Consumer Counsel Tax ..... $ _____

2. Tax Due (Line 1 times tax rate of _____) = Consumer Counsel Tax ..... $ _____

Remittance for tax due must accompany this report

_____ _____

(Date) (Signature of Principal or Agent)

INSTRUCTIONS: Prepare statement in duplicate. Submit original to Income Tax Division, Department of Revenue, Mitchell Building, Helena, Montana 59620. Retain duplicate in company files for audit purposes. Statement and remittance for any tax due must be postmarked on or before the 90th day following the end of each calendar quarter.

CONTRACTORS GROSS RECEIPTS TAX

All contractors and sub-contractors working on publicly funded projects where the owner is a public entity (including all branches of the Federal Government) are required to pay, or have withheld from them, 1% of the gross contract price. This applies to public contracts of $5,000 and above.

Within 10 days after awarding a public contract, the public agency or prime contractor must file a contract award report (form PC-1), with the Department of Revenue Business Tax Section.

Within 30 days of a payment to the prime contractor, the 1% tax is to be withheld and forwarded to the Montana Department of Revenue, Business Tax Section, along with a completed form PC-2. This is usually withheld and remitted by the awarding agency.

Agencies of the Federal government do not withhold from their payments to prime contractors. Instead, the prime contractors are required to withhold from themselves as payments are received and remit the 1% tax within 30 days. This also applies to payment in full on any public project where the awarding agency fails to withhold the 1% tax.

Prime contractors withholding 1% from sub-contractors also file a completed PC-2 form. The 1% tax is retained by the prime contractor because the prime has already paid the 1% on the total payment. The form PC-2 is used as an allocation report and authorizes the Montana Department of Revenue to allocate the amount withheld from the prime contractor's account to the sub-contractor's account.

Licensed public contractors are allowed a refund of this tax, on a dollar for dollar basis, against paid personal property taxes levied against their construction businesses. The contractor must submit an application for refund of contractor's gross receipts tax form PC-4, together with copies of the paid personal property tax receipts and vehicle registration certificates.

The remaining 1% tax credits can also be used to off-set the contractor's corporation or income tax liabilities, depending on how their company is structured.

The tax is collected by the Montana Department of Revenue, Business Tax Section.

Public contractors' licenses are issued by the Department of Commerce. You'll need to contact:

Department of Commerce
Public Contractors Licensing
1218 East 6th Ave.
Helena, Montana 59620
(406)444-4395

STATE OF MONTANA
DEPARTMENT OF REVENUE

CONTRACT AWARD REPORT

1	CONTRACT AWARDING AGENCY OR PRIME CONTRACTOR MUST COMPLETE THIS FORM AND MAIL TO THE STATE DEPARTMENT OF REVENUE IMMEDIATELY AFTER CONTRACT OR BID HAS BEEN OFFICIALLY AWARDED.

2	Contract Awarded By (Agency or Prime Contractor) Name Address City/Town Zip Code	MAIL TO: Income & Miscellaneous Tax Division Department of Revenue Mitchell Building Helena, Montana 59620
3	Contract Awarded to (Prime or Sub Contractor) Name Address City/Town Zip Code	4 Montana Public Contractor's License Number 5 Contract Award Date 6 Construction Completion Date
7	Contract Number/Official Designation	8 Contract Amount
9	Description of work to be performed	
10	Location of work to be performed (be specific)	

REPORT SUBMITTED BY	Agency or Prime Contractor	
AWARD AUTHORIZATION	Authorized Representative	Date

Form PC-1 Rev. 11/88

STATE OF MONTANA
DEPARTMENT OF REVENUE

GROSS RECEIPTS WITHHOLDING REPORT

DEPARTMENT OF REVENUE USE ONLY

The agency or contractor must, in accordance with Section 15-50-206, Montana Code Annotated, withhold one percent (1%) of incremental payments due the contractor or subcontractor. Amounts withheld from a prime contractor must be forwarded with this report to the Department of Revenue. Amounts withheld from subcontractors must be reported on this form so that proper allocation of credit can be made from prime contractor's account to the subcontractor.

1 Contract Awarded By (Agency or Prime Contractor)

Name _____

Address _____

MAIL TO:
Income & Miscellaneous Tax Division
Department of Revenue
Mitchell Building
Helena, Montana 59620

2 Contract Awarded To (Prime or Sub-Contractor)

Name _____

Address _____

3 Montana Public Contractor's License Number

4 Contract Award Date

5 Contract Number/Official Designation. ▷

6 Month and year increment payment earned. ▷

7 Gross amount due contractor or sub-contractor at the time of this report. ▷

8 Amount withheld (1% of line 7). If payment made to prime contractor, remittance must accompany report. ▷

9 Net amount paid contractor or sub-contractor at the time of this report. ▷

10 Check proper box for type of report being filed:

☐ Remittance attached for credit to prime contractor's account

☐ Subcontractor Allocation. Authorization to transfer credit to sub-contractor. Failure of prime contractor to file a dist ibution report within thirty (30) days of payment will result in a 10% penalty.

Date payment made to sub-contractor _____.

11 Location and brief description of work being performed:

REPORT SUBMITTED BY	Agency or Prime Contractor	
AWARD AUTHORIZATION	Authorized Representative	Date

Form PC-2 Rev. 4/84

APPLICATION FOR REFUND OF CONTRACTORS GROSS RECEIPTS TAX

Having paid personal property taxes on assets used in his contracting business the following public contractor hereby makes application for refund of such taxes from his contractors gross receipts tax account.

MAIL REFUND TO: _____

_____

_____

MONTANA PUBLIC CONTRACTOR'S LICENSE NUMBER _____

PERSONAL PROPERTY TAXES PAID DURING AND FOR CALENDAR YEAR _____

1. List below by official contract number or other designation the total amount of contractors gross receipts tax withheld or paid during the calendar year. If more space is needed attach separate sheet.

CONTRACT NUMBER OR OTHER DESIGNATION	AMOUNT

2. List below personal property tax paid for and during the calendar year covered by this refund claim. Copies of paid receipts must be attached to this claim. If more space is needed attach separate sheet.

IDENTIFICATION OF PERSONAL PROPERTY	RECEIPT NUMBER	AMOUNT

TOTAL REFUND CLAIMED $_____

_____
Applicant

_____
By

Form PC-4

INSTRUCTIONS FOR PREPARATION OF REFUND REQUESTS

1. Refund claims for personal property taxes paid during a calendar year may be filed at any time during that year. Credits are allowed in the year the tax liability was incurred and paid. Those property taxes paid in any other year than when they were due will not be allowed.

2. Refunds may not exceed (1) the amount of personal property taxes paid; or (2) the amount of contractors gross receipts tax credits in the applicant's account for the refund year.

3. All personal property taxes listed under item 2 of the application must be supported by copies of paid personal property tax receipts.

4. Refunds are issued for personal property taxes only. NO REFUND IS MADE FOR PAYMENT OF REAL PROPERTY TAX. If a receipt covers both real and personal property taxes, the applicant must obtain a statement from the appropriate county treasurer as to the amount of tax paid on each type of property and submit with the refund application.

5. New car sales tax, gross vehicle weight charges, junk vehicle fees or similar fees are not personal property taxes. Only the motor vehicle fee, and county taxes on vehicles are treated as a personal property tax.

6. Generally automobiles are not considered construction equipment. Refunds will not be issued for personal property tax paid on automobiles unless the applicant submits a signed statement indicating that the automobiles are used 100% in his contracting business.

7. Any credits of the contractors gross receipts tax which are not refunded due to the payment of personal property taxes are available for credit to a corporation license tax liability or individual income tax liability.

8. Applications for refund are to be mailed to:

Department of Revenue
Income and Miscellaneous Tax Division
Business Tax Section
Mitchell Building
Helena, Montana 59620

DANGEROUS DRUG TAX

The purpose of this law is to force the illegal drug trafficker out of business in this state.

The tax is imposed on anyone arrested for possession or storage of dangerous drugs and illegal controlled substances. Anyone charged with possession is liable for the tax. A person only needs to be arrested and charged with possession. No conviction is necessary.

The tax is based on information contained in the illegal drug information report, DD-1, which is filed within 72 hours of arrest by the law enforcement agency. This report contains the type, quantity and market value of illegal drugs found in their possession or being stored by them.

The Department of Revenue computes the amount of tax due and notifies the taxpayer. The tax is due immediately after notice is received by the taxpayer.

All fines or forfeitures must be satisfied at the local level before the Department of Revenue can collect the dangerous drug tax due even though the Department may have filed a warrant for distraint.

The tax on possession and storage of dangerous drugs is the greater of:

a) 10% of the market value or
b) (I) $100.00 per ounce of marijuana or derivative
(II) $250.00 per ounce of hashish
(III) $200.00 per gram of any controlled substance (cocaine, heroin, etc.)
(IV) $10.00 per 100 micrograms LSD
(V) $100.00 per ounce of any immediate precursor
(VI) $100.00 per gram of any other dangerous drug.

The tax is collected by the Montana Department of Revenue, Business Tax Section.

DDT-1 10/87

MONTANA
DEPARTMENT OF REVENUE

DANGEROUS DRUG TAX REPORT

Date: _____

Case Number: _____

SUSPECT INFORMATION

Name _____
Last First Middle

AKA'S _____

Res. Address _____
Street

S.S.N. _____

_____
City State Zip

Date of Birth _____/_____/_____

County
Where Arrested _____

Place of Birth _____

PROPERTY INFORMATION
DRUGS SEIZED

Type	Quantity	Value Per Unit	Total $ Value

This report furnished by:

Agency _____

Name and Title _____

Address _____

_____

_____

Phone No. (_____)_____

Please send this report to:

Income Tax Division
Business Tax Section
Montana Department of Revenue
Mitchell Building
Helena, MT 59620
406-444-2837

DISTRIBUTION: ORIGINAL—Dept. of Revenue YELLOW—Your File PINK—Person Arrested

Officer: _____
(signature)

Taxpayer: _____
(signature)

EMERGENCY TELEPHONE TAX (9-1-1 SYSTEMS)

This tax will provide funds to assist cities and counties in the development and installation of 9-1-1 Emergency Telephone Systems. Funds are distributed by the Department of Administration.

The tax applies to each access line of each subscriber of telephone service. Indians living on reservations and not receiving 9-1-1 service are exempt as are coin operated telephones.

A fee of 25 cents per access line per subscriber is collected monthly by the provider of the telephone service. The provider holds these fees, in trust, for the state of Montana, for payment on a quarterly basis to the Department of Revenue.

Completed form ET-9-1-1, together with the total amount due, must be postmarked on or before the last day of the month, following the end of the quarter.

Quarter Ends		Due By	
March	31	April	30
June	30	July	31
September	30	October	31
December	31	January	31

STATE OF MONTANA
DEPARTMENT OF REVENUE

Emergency Telephone Service Fee Return
(Title 10, Chapter 4, MCA)

Statement for quarter ending _____ 19____

Name and address of the provider of telephone exchange access service.

_____

_____

_____

_____

ACCESS LINE REPORT AND FEE DUE COMPUTATION

NUMBER OF NONEXEMPT ACCESS LINES:

First month of quarter _____

Second month of quarter _____

Third month of quarter _____

1. Total number of access lines _____
2. Fee computation (line 1 x $.25) _____
3. Less: uncollectable accounts, refunds, incorrect billings or other credit adjustments. _____
4. Add: fees written off in a previous quarter which were collected this quarter or other debit adjustments _____
5. Total fees remitted _____

I declare under the penalties for false swearing that this return (including any accompanying schedules) has been examined by me and, to the best of my knowledge and belief, is a true, correct and complete return.

Provider: _____

By: _____

Date: _____ Title: _____

INSTRUCTIONS FOR FORM PREPARATION

Prepare return in duplicate. Submit original to Income and Miscellaneous Tax Division, Department of Revenue, Mitchell Building, Helena, Montana 59620 with remittance for total fees due. Retain duplicate in company files for audit purposes. Returns and remittance for total fees due must be postmarked on or before the last day of the month following the end of the calendar quarter.

Form No.—ET 911

FREIGHTLINE TAX

All freightline companies engaged in the business of operating, furnishing or leasing cars in Montana for transportation of freight over any railway lines within the state, must pay a 5.5% tax on their total gross earnings.

Total gross earnings are all earnings on business beginning and ending within this state, and a proportion based upon the proportion of mileage within the state to the entire mileage over which such business is done, of all earnings on interstate business passing through, into, or out of this state.

The tax is paid annually and is in lieu of all other property tax on the freightline companies. The return is due March 1st each year for the preceding calender year ending December 31st.

Montana Freight Line Company Tax Report

To be Filed by Carrier on or Before March 1, in Each Year
(Chapter 137, Laws of 1949)

RETURN AND STATEMENT OF.....
(Name of Carrier)

Showing mileage traveled by Freight Line Company cars in the State of Montana during the year ended December 31, 19____, the amount earned by such cars, and the amount of tax withheld. REMITTANCE MUST ACCOMPANY THIS REPORT.

NAME OF COMPANY	Address	Class	Mileage	Rate	Amt. Earned	Tax Due

FORM FL3

Affidavit

Montana Freight Line Company Tax Report

FILED BY _____ for the year ended December 31, 19____
(Name of Carrier)

State of _____
County of _____ } SS.

_____, being first duly sworn according to law, deposes and says:

That he is the _____ of _____ making the foregoing report that he has read the same and knows the contents thereof, and that the statements, and all thereof, contained therein, are true.

_____

Subscribed and sworn to before me this _____ day of _____ 19____.

_____
Notary Public

Residing at _____

My Commission expires _____

PUBLIC SERVICE COMMISSION

This tax is imposed on all regulated organizations, corporations, associations or other public or private entities which are subject to regulation by the Department of Public Service Regulation, The Public Service Commission or any successor agency. Motor carriers are exempt from this tax.

The tax is based on a percentage of the gross operating revenue of the company. The Department of Revenue sets the percentage rate. This rate may be changed quarterly if a supplemental appropriation is approved. The present rates are .3% (.003) for private companies and .06% (.0006) for municipalities.

The tax is due quarterly along with a quarterly report. The report must be filed using Form PSCT 600 within 90 days following the close of the quarter. The postmark is the date of filing.

Quarter Ends		Due By	
March	31	June	29
June	30	September	28
September	30	December	29
December	31	March	30 following year

This tax funds the Public Service Commission office. The Commission supervises and regulates the operation of public utilities, common carriers, railroads, and other regulated industries designated as falling under its authority.

STATE OF MONTANA
DEPARTMENT OF REVENUE

PUBLIC SERVICE COMMISSION TAX

STATEMENT OF GROSS OPERATING REVENUE WITHIN MONTANA AND TAX DUE

FOR QUARTER ENDING _____ 19____.

Name and Address of Regulated Company:

_____

_____

_____

_____

Indicate by check in proper box the broad general category of regulated service provided:

- ☐ **Sewer System**
- ☐ **Natural Gas Supplier**
- ☐ **Water System, private**
- ☐ **Telephone & Telegraph**
- ☐ **Railroad**
- ☐ **Electricity Supplier**
- ☐ **Water System, municipal**
- ☐ **Pipeline**
- ☐ **Other [specify]** _____

Is service generally provided statewide? ☐ **Yes** ☐ **No**

If not provided statewide indicate particular area for which service is provided: _____

_____

1. Gross Operating Revenue generated by all regulated activities within Montana for this calendar quarter ..... $ _____

2. Tax Due (Line 1 times tax rate of _____) ..... $ _____

Remittance for tax due must accompany this report

_____ (Date)

_____ (Signature of Principal or Agent)

INSTRUCTIONS: Prepare statement in duplicate. Submit original to Income and Miscellaneous Tax Division, Department of Revenue, Mitchell Building, Helena, Montana 59620. Retain duplicate in company files for audit purposes. Statement and remittance for any tax due must be postmarked on or before the 90th day following the end of the calendar quarter.

Form No. PSCT 600

RURAL ELECTRIC AND TELEPHONE COOPERATIVE LICENSE TAX

This tax applies to all cooperatives and foreign corporations supplying electricity or telephone service to customers in Montana.

RURAL AREA means: an area not included within the boundary of any incorporated or unincorporated city or town having a population in excess of 3,500 persons which is not already being serviced by a system or facility.

The tax rate is $10 for each one hundred (100) persons or fraction thereof to whom electricity or telephone service is supplied. This is an annual tax which must be filed by July 1 each year, on form RETC- 901.

The postmark is the date of filing.

Form No. RETC-901

MONTANA

RURAL ELECTRIC AND TELEPHONE CO-OP ANNUAL LICENSE TAX

DEPARTMENT OF REVENUE

(35-18-503)

Statement for year ending _____ 19____

Name and Address of Rural Electric or Telephone Co-op supplying service:

_____

_____

_____

_____

35-18-503. Annual fee to department of revenue—exemption from other taxes. Cooperatives and foreign corporations transacting business in this state pursuant to the provisions of this chapter shall pay annually on or before July 1, to the department of revenue a fee of $10 for each 100 persons or fractions thereof to whom electricity or telephone service is supplied within the state but, except as provided in 10-4-201, shall be exempt from all other excise and income taxes of whatsoever kind or nature.

COMPUTATION OF TAX

Number of persons to whom electricity or telephone service was supplied within the State of Montana ..... _____

ANNUAL LICENSE TAX DUE. $10.00 for each 100 persons or fraction thereof ..... $ _____

Remittance for tax due must accompany this report

_____ (Date)

_____ (Signature of Principal or Agent)

INSTRUCTIONS

1. Prepare form in duplicate. Submit original to Department of Revenue, Income Tax Division, Mitchell Building, Helena, Montana 59620 with remittance of total tax due. Retain duplicate in company files.
2. Statement and remittance for any tax due must be postmarked on or before the first day of July following the reporting period.

STORE LICENSE TAX

This license applies to both retail and wholesale businesses that maintain an inventory of goods, wares or merchandise of any kind.

The license application and proper fee are due on or before December 31st for the next calendar year. Applications submitted between January 1 and January 31 are subject to a 10% penalty, in addition to the normal license fee. After January 31, the fee charged will be double the normal license fee. A new business or new owner is not subject to penalty. Renewal applications will be sent to the owner of record by November 30th each year.

All store license applications expire December 31 of each calendar year.

FEE SCHEDULE

Wholesale Stores (including gasoline bulk plants): Each Store $43.50

Retail Stores: Gross Receipts	Under $350,000	Over $350,000
First Store	$11.00	$11.00
Second Store	$13.50	$56.00
Third Store	$21.00	$106.00
Fourth Store	$28.50	$156.00
Fifth Store	$36.00	$206.00
Each Additional Store	$44.50	$206.00

Retail stores include any type of location where a stock of goods, wares or merchandise are held for sale.

Sales may take place on the premises, by mail or through salesmen or agents.

A new business starting operations after August 31st is not required to be licensed for the remainder of that calendar year.

STORE LICENSE

LICENSE NUMBER

this license expires December 31, 1989

and is not transferable

LICENSE FEE $

DEPARTMENT of REVENUE • STATE OF MONTANA

THIS LICENSE MUST BE DISPLAYED IN A CONSPICUOUS PLACE IN THE STORE LICENSED

1989

Having made application in due form and paid the statutory application and license fee is hereby granted a license to conduct a store in the above location described in licensee's application.
Dated at Helena, Montana.

THIS IS YOUR ONLY NOTICE

Make necessary changes and return to:
MONTANA DEPARTMENT OF REVENUE • Miscellaneous Tax Section
Mitchell Building, Helena, MT 59620

APPLICATION FOR STORE LICENSE

This application, along with the proper fee, must be received before January 1. Renewal applications submitted between January 1 and January 31 are subject to a 10% penalty in addition to the normal license fee. After January 31, the fee charged will be double the normal license fee.

Application is hereby made for a 19____ license No._____ for which a fee of _____ is enclosed.

TYPE OF MERCHANDISE SOLD _____ Chain Store Number: _____

TYPE OF STORE: ____(R) Wholesale ____(W) GROSS RECEIPTS: Under $350,000 ____(1) Over $350,000 ____(2)

F.I.N. _____ SS# _____ FED. INDUST. CODE _____

If more than one store owned, supervised or controlled in Montana give number of stores _____

STORE NAME

OWNER'S NAME

STREET

CITY

Mailing Address if different than at left

STORE ADDRESS MUST BE ACTUAL LOCATION OF STORE TO BE LICENSED

READ OTHER SIDE CAREFULLY

Signature _____ Date

• FEE SCHEDULE •

WHOLESALE STORES (INCLUDING GASOLINE BULK PLANTS): EACH STORE $43.50

RETAIL STORES:

GROSS RECEIPTS	UNDER $350,000	OVER $350,000		EXAMPLE		
First Store	$ 11.00	$ 11.00	1st	$ 11.00	+	$ 11.00
Second Store	$ 13.50	$ 56.00	2nd	$ 13.50	+	$ 56.00
Third Store	$ 21.00	$ 106.00		$ 24.50	+	$ 67.00
Fourth Store	$ 28.50	$ 156.00	3rd	$ 21.00	+	$ 106.00
Fifth Store	$ 36.00	$ 206.00		$ 45.50		$ 173.00
Each Additional Store	$ 44.50	$ 206.00				

If both categories are included in fee schedule the stores with the gross receipts above $350,000 must be counted last.

Retail stores include any type of location where a stock of goods, wares or merchandise are held for sale. Sales may take place on the premises, by mail or through salesmen or agents.

This application, along with the proper fee, must be received before January 1.
Renewal applications submitted between January 1 and January 31 are subject to a 10% penalty in addition to the normal license fee. January 31, the fee charged will be double the normal license fee. **A NEW BUSINESS OR NEW OWNER IS NOT SUBJECT TO PENALTY.**

A new business starting operations after August 31 is not required to be licensed for the remainder of that calendar year.

TELEPHONE COMPANY LICENSE TAX

The tax rate is 1.75% of the gross income derived from all intrastate telephone business in excess of $250 each quarter. The company must file Form Telephone 1 and make payments within 60 days after the end of each quarter. The postmark will determine the filing date.

Quarter Ends		Due By	
March	31	May	30
June	30	August	31
September	30	November	30
December	31	February	25 following year

Telephone - 1

STATE OF MONTANA
DEPARTMENT OF REVENUE

Telephone Company License Tax Return
Section 15-53-101 MCA

Statement of Gross Income for quarter ending _____ 19____

Name and address of firm filing return.

_____

_____

_____

_____

GROSS INCOME REPORT AND TAX DUE COMPUTATION

1.	Gross income derived from all INTRASTATE TELEPHONE BUSINESS	$_____
2.	Less $250.00 exemption	$_____ —250.00
3.	Taxable Revenue (line 1 less line 2)	$_____
4.	Total Tax Due at 1.725% of line 3	$_____

X _____
(signature of principal or agent)

Date _____

Section 15-53-101 MCA. Each and every person, association or corporation liable to tax under this act engaged in carrying such telephone business in this state shall, within sixty (60) days after the end of each quarter, beginning with the quarter ending June 30, 1969, make out in duplicate and file with the department of revenue, a statement in such form as the department of revenue may require and prescribe, showing the total gross income of such person, association or corporation derived from the telephone business within this state including the transmission of telephone messages originating and terminating within this state, but excluding therefrom the gross income derived from the transmission of telephone messages passing through this state but both originating and terminating outside of this state and from those originating outside of, but terminating within this state and from those originating within but terminating outside of this state during the preceding quarter, and containing such other information as the department of revenue may require; and shall accompany such statement with the payment to the department of revenue of a license tax in the amount equal to 1.725% of such gross income.

INSTRUCTIONS FOR FORM PREPARATION

Prepare statement in duplicate. Submit original to Business Tax Section, Department of Revenue, Mitchell Building, Helena, Montana 59620 with remittance of total tax due. Retain duplicate in company files for audit purposes. Statement and remittance for any tax due must be postmarked on or before the 60th day following the end of the quarter. PENALTIES AND INTEREST APPLY ON ALL DELINQUENT REPORTS.

TOBACCO PRODUCTS TAX

The Tobacco Products Tax is imposed on all tobacco products other than cigarettes sold in Montana. This tax is 12.5% of the wholesale price of such products. It is paid by the wholesaler. The wholesaler must remit 12.5% of the wholesale price paid for tobacco products purchased and delivered from manufacturers, less 5% of computed tax, with copies of itemized invoices and Form TP101. The remittance must be paid to the Department of Revenue by the 10th of each month for purchases made during the previous month. Any retailer who sells tobacco products to the consumer and who purchases tobacco products, other than cigarettes, on which the tax has not been pre-collected and paid to the Department of Revenue must include the tax on the price of the tobacco products. A retailer must assume that the tax has not been pre-collected and paid in the absence of the statement required on his invoice or sales slip for tobacco products.

Form No. TP-101

STATE PUBLISHING CO. 3

STATE OF MONTANA

DEPARTMENT OF REVENUE

TOBACCO PRODUCTS TAX

(Section 16-11-202, MCA)

DATE _____

NAME OF REMITTER _____

ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

Purchases of Tobacco Products (other than cigarettes) for the month of _____, 19____.

1. Number of invoices attached ..... _____
2. Gross amount of invoices ..... _____
3. Twelve and one-half percent (12½%) of line 2 ..... _____
4. Less 5% discount ..... _____
5. Balance ..... _____
6. Less credits from Form No. TP-102 ..... _____
7. Total amount remitted ..... _____

I hereby swear or affirm under penalty or perjury that the statements contained herein are true and correct to the best of my knowledge.

_____

(Signature of Principal or Agent)

INSTRUCTION FOR FORM PREPARATION

1. Prepare in duplicate. Submit original to Income and Miscellaneous Tax Division, Department of Revenue, Mitchell Building, Helena, Montana 59620, with remittance. Retain duplicate in company files for field audit purposes.
2. Submit only one Form No. TP-101 with copies of invoices attached for all tobacco products, including cigars, purchased during the preceeding month.
3. **This form must be delivered to the Income and Miscellaneous Tax Division, Department of Revenue by the tenth day of each month covering deliveries received during the preceding month.**

Form No. TP-102

STATE OF MONTANA

DEPARTMENT OF REVENUE

CLAIMS FOR CREDIT ON TOBACCO PRODUCTS TAX

Section 16-11-201 MCA

DATE _____

NAME AND ADDRESS OF TOBACCO PRODUCTS DEALER

NAME _____

ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

1. Sales of tobacco products to out-of-state retailers:
   a. Out-of-state retailer _____
   b. Number of invoices attached ..... _____
   c. Gross amount of invoices ..... _____
2. Tobacco products dealer cost on above _____
3. Value of tobacco products returned to manufacturer:
   a. Manufacturers name _____
   b. Number of credit memos attached ..... _____
   c. Total amount of credit memos ..... _____

COMPUTATION OF CREDIT

4. Total of lines 2 and 3c ..... _____
5. Tobacco products tax (12½% of line 4) ..... _____
6. Less 5% discount ..... _____
7. Credit due (claim on Form TP-101) ..... _____

I hereby swear or affirm under penalty of prejury that the statements contained herein are true and correct to the best of my knowledge.

_____
(Signature of Principal or Agent)

INSTRUCTION FOR FORM PREPARATION:

1. Credit claimed for sales to out-of-state retailers must be substantiated by duplicates or copies of the original sales slips or invoices. The amount shown on line 1 is the selling price to out-of-state retailers and must agree with total(s) of attached invoice(s). On line 2 the dealer must compute his cost on such sales.
2. Credit claimed on line 3 for merchandise returned to a manufacturer due to age, damage in transit, etc., must be substantiated by credit memos from the manufacturer.
3. List only one out-of-state retailer and one manufacturer on a credit form. If a dealer has sales or returns to two or more retailers or two or more manufacturers, prepare separate claim forms.

Form TP-109
(Internal)

STATE OF MONTANA
DEPARTMENT OF REVENUE

TOBACCO PRODUCTS TAX AUDIT WORKPAPER

PERIOD COVERED _____ DATE _____

NAME OF WHOLESALER _____

ADDRESS _____

CITY _____ STATE _____ ZIP CODE _____

MANUFACTURERS NAME & ADDRESS : _____

Duplicate Invoice T.P. 101 Report	Date of Purchase	Invoice or Order Number	Tobacco	Cigars	Non-Taxable	Gross Amount of Tobacco Purchased

TRAMWAY TAX

Fees collected from this tax provide funding for equipment inspections to insure safe passenger transportation.

Anyone operating a tramway, chairlift, poma, rope tow, gondola, t-bar, or other similar conveyances for skiing or sight-seeing are subject to a tax on the gross receipts of those conveyances at the rate of 1/4 of 1% (.0025).

This tax is calculated on the gross receipts received on a fiscal year period of July 1 - June 30. The tax is due on or before December 31 of the year in which the fiscal year ends.

A completed form TR-404, along with remittance, is forwarded to the Department of Revenue, Business Tax Section.

Form No TR-404

State Publishing Co Helena Mont

STATE OF MONTANA

DEPARTMENT OF REVENUE

TRAMWAY TAX

(Section 23-2-715 MCA)

Statement of Gross Receipts for year ended June 30, 19____.

(Assessment period to be calculated on gross receipts received during period July 1 to June 30)

_____

_____

_____

STATEMENT OF GROSS RECEIPTS

Gross Receipts of Tramway(s) Chairlifts, Poma, Rope Tow, Gondola, T-Bar or other conveyances _____

¼ of 1% (.0025%) of Amount of Line 1 (A Minimum annual tax of $100. must be remitted with this report) _____

I hereby swear or affirm under penalty or perjury that the statements contained herein are true and correct to the best of my knowledge.

_____ _____

DATE (Signature of Principal or Agent)

INSTRUCTIONS

Prepare entire statement in duplicate. Submit original to Income and Miscellaneous Tax Division, Department of Revenue, Mitchell Building, Helena, Montana 59620, with remittance for total tax due. Retain duplicate in company files for audit purposes. Statement and remittance for tax due must be postmarked on or before December 31.

MONTANA WITHHOLDING GUIDE

HIGHLIGHTS

Tax Tables

This guide replaces the 1987 tax guide. Please read and use this guide for payrolls issued after January 1, 1989. Do not use old guides or tables.

Electronic Funds Transfer:

Quarterly withholdings of $500,000 or more are payable through electronic funds transfer.

Weekly Payments:

Effective April 1, 1987 Employers whose withholdings for the preceding year were equal to or greater than $300,000 will be notified by the Department of weekly remittance requirements.

Tax tables and computer formulas are in this booklet. They are to be used for all payrolls issued after January 1, 1989.

Postmark

- **The postmark date is considered the date of filing.** You have one calendar month to prepare and file your withholding quarterly reports. Wage statements are to be filed by February 15th for the previous year.
- If you choose to mail the reports on the last day it is very important that you find out when mail will be postmarked.
- Although mail may be placed in a receptacle one day it may not be postmarked until the following day. To insure timely filing/payment contact your local post office for postmark deadline information.

Rule Changes

Pensions—Effective February 26, 1988 voluntary withholding on pensions replaces mandatory withholding.

Packets

A packet containing reporting forms is mailed in June of each year.

- Please request replacement forms two (2) weeks before a due date.
- Delinquent notices are sent to all active accounts if a filing for any quarter is not received.
- If you receive a delinquent notice, please note the status of the account for that quarter and return form in the envelope provided. (Examples — seasonal, no employees, under $10 withholding.)
- Delinquent notices are sent to an employer not submitting required W-2's on or before February 15 for the previous year.

General Instructions

This guide tells you how Montana withholding works. It is set up to help a new employer get started out right by explaining definition of terms, employer's duties, how to register, withhold and make out reports.

If you have a special situation which isn't covered in this booklet or if you need some help with a question, please call us at (406) 444-3388. Have your account numbers and other information relating to your call (cancelled checks, report copies, etc.) handy when you call. Please provide your telephone number at the bottom of the withholding forms so, when necessary, we can contact you.

The Department of Revenue conducts Small Business Clinics in several cities each year. Information regarding state withholding as well as other state agency reporting requirements is available. Contact your local Chamber of Commerce to find out when the next clinic will be held in your area.

Definitions

An EMPLOYER is a person or organization which pays wages to an individual in exchange for the performance of a service by the individual. Individuals, corporations, partnerships, estates, trusts, associations, joint ventures, religious organizations, government agencies, and political subdivisions are among the entities which may be EMPLOYERS. However, this is not an exclusive list of examples and the fact that your particular organization is not mentioned by name does not mean that it is not considered an EMPLOYER.

An EMPLOYEE is an individual who performs a service for a person or organization. The test applied to determine whether an individual is an EMPLOYEE is: Does the individual or organization for whom the service is performed have the legal right to control the way in which the service is carried out? It is only the **right to control** that is important; it is **not** necessary that the control is ever actually exercised.

Sometimes determining whether an EMPLOYER-EMPLOYEE relationship exists is difficult. (The relationship may exist even if the EMPLOYER and EMPLOYEE have agreed that the services are not employment and the payments for services are not wages.) In such cases, all the facts and circumstances must be considered. If your situation has not been specifically mentioned or if you are uncertain about your status, please call us, and we will assist you.

When the word WAGES is used in this booklet it means the compensation which an EMPLOYER pays an EMPLOYEE in return for the EMPLOYEE'S services. WAGES is a general term and encompasses, but is not limited to, salaries, wages, bonuses, fees, commissions, vacation allowances, retroactive pay increases, and any other payments, unless exempted. The term WAGES also includes the cash value of any asset which is given to an EMPLOYEE as compensation for his service to the EMPLOYER.

WITHHOLDING is money deducted and taken from an EMPLOYEE'S WAGES by an EMPLOYER for payment of the EMPLOYEE'S income taxes. The money belongs to the EMPLOYEE and is only held, **in trust**, by the EMPLOYER until paid to the state.

Registration

You must obtain a Montana withholding identification number which is unique to your business. If you have acquired an existing business you must register for yourself. You **must not** use your predecessor's account number. For **new** EMPLOYERS, the proper application form (called an ER-1) is included with this booklet. If you need the form please contact the Montana Department of Revenue, Withholding Tax, P.O. Box 5835, Helena, MT. 59604. Your new account number will be issued when your registration is received and processed.

Employer's Duties

Individuals who earn WAGES by performing services in Montana are liable for Montana income tax. Your duty under our law is to deduct the tax from the WAGES you pay. Every EMPLOYER who resides in Montana and every non-resident EMPLOYER who pays WAGES for services performed in Montana **must** withhold tax.

Exempt Payments

There are certain kinds of compensation specifically excluded by law from WAGES for withholding purposes. Withholding is not required on the following kinds of payments:

Compensation—

- for active duty as a regular member of the Armed Forces of the United States
- for services rendered on a farm or ranch in connection with cultivating the soil or in connection with raising or harvesting any agricultural commodity including the raising, shearing, feeding, caring for, training and management of livestock, poultry, furbearing animals, bees, and wildlife.
- for domestic service in a private home, a local college club or a local chapter of a college fraternity or sorority.
- casual labor not in the course of the EMPLOYER'S trade or business, if less than $50 per quarter.
- for services by a citizen or resident of the United States for a foreign government or international organization.
- for services performed by a duly ordained, commissioned or licensed minister of a church in the exercise of a ministry or by a member of a religious order in the exercise of duties required by the order.
- for services performed by an individual under the age of 18 for delivery of newspapers and advertising material.
- for services not in the course of the EMPLOYER'S trade or business to the extent it is a reimbursement for actual meals and lodging expenses incurred by the employee, and the services are performed at the request of and for the convenience of the EMPLOYER.

Tip Income—received by persons for services rendered by them to patrons of premises licensed to provide food, beverage and lodging are exempt from Montana Withholding after December 31, 1982.

Employee Benefits—

Amounts paid to an EMPLOYEE as a payment for or a contribution toward the cost of any group plan or program which benefits the EMPLOYEE including, but not limited to, life insurance, hospitalization insurance for the EMPLOYEE or his dependents. Caution: Some fringe benefits are taxable as wages.

Pensions, Annuities, Deferred Compensation, IRA's

Employee **contributions** to qualifying annuity contracts under Sec. 403(b), Internal Revenue Code, such as "tax sheltered" annuity plans for teachers, deferred compensation for public employees, or other similar plans, are exempt from withholding requirements to the extent that the contributions are not includable in the employee's adjusted gross income for federal income tax purposes.

Contributions made to individual retirement accounts under Sec. 3401(a)(12), IRC, while considered compensation to the employee, are not subject to Montana withholding after 1981 if the employer reasonably expects that the employee will be able to deduct such amounts as retirement savings account contributions.

Distributions from some pension, annuity and other deferred-type compensation plans are subject to voluntary withholding. Call for more information.

Exempt Wages

If you pay WAGES to persons who qualify under the following exemptions, you do not have to withhold on their WAGES:

Interstate Transportation—

Federal law (P.L. 91-569) exempts compensation paid to certain interstate railroad, truck, air and water carrier EMPLOYEES from having state income tax withheld. In order to be eligible for the treatment, the EMPLOYEE must be actually engaged only in interstate transportation activities, performing regularly assigned duties in more than one state.

A Montana resident who, during the preceding year, did not earn more than half the compensation, for his service in interstate transportation, in any one state, is **not** eligible for this exemption.

North Dakota Residents—

Montana and North Dakota have a reciprocal agreement which calls for a resident of one of the states to pay income tax to his state of residency even though the compensation upon which the tax is based is earned in the other state. An EMPLOYER is **not** required to withhold Montana income tax from compensation paid to an EMPLOYEE who has established himself/herself as a North Dakota resident. An EMPLOYEE who wishes to take advantage of this treatment must obtain Form NR-2 (Employee's Certificate of North Dakota Residence) from the Department of Revenue, Income Tax Division, Box 5805, Helena, Montana 59604, (406) 444-2837. The EMPLOYEE must complete it and file it with his EMPLOYER who then must send a copy of the completed NR-2 to the Department of Revenue with the EMPLOYER'S next regular quarterly report.

The Department may require the EMPLOYER to disregard an EMPLOYEE'S false or unsubstantiated NR-2 and may require resumption of withholding and/or collection of uncollected withholdings from the EMPLOYEE'S current wages.

Native American Indians—

Compensation paid by an EMPLOYER to an enrolled member of an Indian tribe who lives and works within the boundaries of an Indian reservation is not subject to Montana income tax. Thus, tax **should not** be withheld in this case. However, compensation paid to Indians who do not reside within the boundary of an Indian reservation is subject to income tax and tax **must** be withheld in this instance. There is a partial exception to the preceding rule because money flowing to any Indian from his share in allotted and restricted lands is exempt from state income tax to the same extent it is exempt from Federal income tax.

Withholding on Non-Residents

Compensation paid to a non-resident or non-resident alien is subject to Montana withholding in all cases **unless** the compensation is **specifically** exempted under Montana law. Short-term or indefinite employment of non-residents in Montana is subject to withholding.

Compensation which may be excludable from federal withholding or federal adjusted gross income under a U.S. tax treaty is subject to Montana withholding. The determination of whether a non-resident alien is or is not qualified for tax treaty exclusion of income is not made until the Montana individual income tax return is filed by the non-resident alien at year-end.

Form W-4—Employee Withholding Allowances

The number of allowances claimed is set by the EMPLOYEE for both Federal and State purposes when he fills out his Federal W-4. (Montana does not provide a separate certificate). For State purposes, the following special rules apply:

1) only line 4 of the Federal W-4 is used in determining the number of allowances.
2) Exemption from withholding for Federal purposes does **not** exempt an EMPLOYEE from State withholding. State withholding must be deducted and withheld in all cases.
3) If line 4 is left blank or has anything other than a number entered on it, the EMPLOYEE is deemed to be claiming "zero" (0) withholding allowances.
4) Any change to line 4 for Federal purposes also changes line 4 for State purposes, except as provided in 5) next page.

5) An EMPLOYER is required to provide a copy of any withholding allowance certificate (W-4) to the Department of Revenue, Helena, Montana, on which an EMPLOYEE has claimed **more than 10** withholding allowances. Each such certificate is to be provided at the same time and in the same manner as the certificate is required to be provided to the Internal Revenue Service under 26 CFR S37.3402-1. If, upon review of any such certificates, the Department determines that the certificate is defective, it may require in writing that the EMPLOYER disregard the allowances claimed and advise the EMPLOYER of maximum number of withholding allowances permitted the EMPLOYEE for state purposes. The filing of a new certificate by an EMPLOYEE whose withholding allowances have been set at a fixed maximum number by the Department shall be disregarded by the EMPLOYER unless a number equal to or less than the set maximum is claimed or written notice by the Department is given authorizing a different maximum.

The Department may require correction of under-withholding which result from erroneous W-4 filings made by EMPLOYEES which are discovered as a result of either the requirement to submit withholding certificates on which **more than 9** allowances are claimed or the requirement to notify the Department of any known falsified certificate (such as an "exempt" claim for State purposes or excessive allowances claimed).

How To Withhold

In this booklet is a set of tables from which the amount withheld can be determined. If your payroll system is automated, there is a set of formulas included which can be incorporated in your computer program(s). These tables and formulas were determined using the actual income tax rates and average deduction amounts reported by Montana taxpayers.

The amount of tax you will withhold from an EMPLOYEE'S pay depends on three things: (1) length of your payroll period, (2) gross pay, and (3) number of withholding allowances claimed.

To figure withholding from the tables, follow the steps below:

1) Turn to the table which is the same as your payroll period (weekly, monthly, etc.).
2) Using the **"WAGES PAID"** columns on the left side of the table, find the WAGE line that your EMPLOYEE'S gross WAGE (before deducting any taxes) matches or exceeds in the first column but is less than the second column.
3) To the right of the WAGE line are different amounts of tax which can be withheld from the gross WAGE, depending on how many withholding allowances your EMPLOYEE claimed on line 4 of his W-4.

   In the column which matches the number of allowances claimed on the W-4 is the proper amount of tax to withhold.

An employee may request additional moneys be withheld to meet the tax obligation. The amount withheld would be reported and paid as an ordinary withholding.

EXAMPLE: You pay your EMPLOYEE a weekly WAGE of $270 and the EMPLOYEE has claimed 2 withholding allowances; you would:

I) Use the weekly schedule on page 9.

2) Find the WAGE bracket line between $270 and $285.

3) On $270-285 line move over to the third column for the amount of tax to withhold for two allowances.

4) Withhold $7.56 from the EMPLOYEE'S pay for the week.

If supplemental WAGES such as commissions, bonuses, or overtime pay are paid at the same time as the EMPLOYEE'S regular WAGE, the amount of tax withheld should be based on the total of the regular and supplemental WAGES. If supplemental WAGES are paid at a different time (for example: a "Christmas bonus"), the tax withheld may, at your option, be based on: 1) the total of the supplemental WAGE and the regular WAGE for the current payroll period, or 2) on the total of the supplemental WAGE and the regular WAGE for the last preceding payroll period which falls within the same calendar year, or 3) a flat 6% of the supplemental WAGE.

How To Report Taxes Withheld

Quarterly Filers

At the end of each calendar quarter, March 31st, June 30th, September 30th and December 31st, you must report and pay to the State Treasurer all withholdings deducted from EMPLOYEES' WAGES. The tax is reported on Form MW-5 which is mailed to each EMPLOYER in a packet upon state registration.

QUARTERLY REPORT

Note these important due dates on your calendar.

Quarter Ending	Due Date
March 31	April 30
June 30	July 31
Sept. 30	Oct. 31
Dec. 31	Jan. 31

The MW-5 report must be postmarked no later than the last day of the month following the end of the quarter being reported. Your payment should be made to the "State Treasurer."

A sample of MW-5 is found on page 59.

In addition to reporting and paying the tax due the MW-5 should be used to:

- **Adjust a prior quarter.** If you made an error in the amount of tax you reported and paid for another quarter, you can correct it by entering the amount of the error on line 9 and adding or subtracting it from the tax due for the current quarter. You must explain the reason for the adjustment on the back of the MW-5. Please tell us what quarter(s) the adjustment is for in the explanation.
- **Cancel Your Account.** If you go out of business or stop paying WAGES, you may file a final return, which will terminate your account, by entering the date of your last payroll on line 5. If you have only **temporarily** stopped paying WAGES, just indicate "zero" state tax withheld on line 8, sign and return the form.
- **Report a Change in Ownership.** If you have acquired an existing business or changed your business, e.g., from an individual to a partnership, etc., during the **current** quarter, enter the date you started paying wages as a new business, otherwise, leave line 6 blank.
- **Address Change.** Please use the preaddressed form mailed to you for reporting. If you use a form that is not preaddressed, please fill in your Federal and State employer identification numbers on the form exactly as they appeared on prior quarter returns. If you are unsure of your State identification number, please contact us before entering a number on the form.
- **Current Employer Information.** It is important to keep all registration information current. Note change in president, bookkeeper, accountant, etc. Request a new registration Form ER1.

Annual Report

Every year, you must file an annual reconciliation report Form MW-10 with copy I ("STATE" copy) of each EMPLOYEE'S W-2 statement attached. This report is due by February 15th of the following year. Please include an adding machine tape of the Montana State Tax from the wage statements with your report.

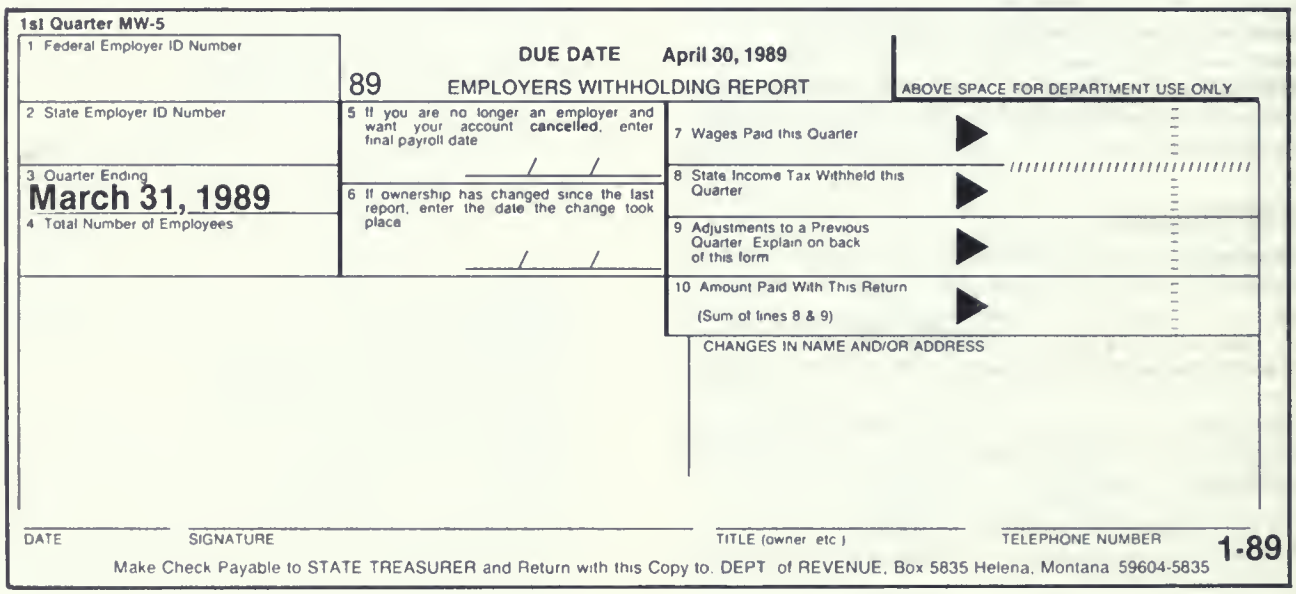
The amount entered on line (A) in Box 5 is obtained by adding the amount of Montana tax withheld and reported for each EMPLOYEE on the W-2 statements you attached to the MW-10 report. The amount entered on Line (B) in Box 7 is the total of all quarterly amounts withheld and paid during the year. If the amounts reported on Line (A) and Line (B) differ, you must explain the difference on the back of the form or, if more room is needed, attach an explanation to the report form.

Below is a sample of the MW-10 form.

Employee Earning Statements

You must prepare a Federal W-2 for each of your EMPLOYEES regardless of whether any tax was withheld. For Montana EMPLOYEES, a six-part W-2 form must be used. There are instructions on each form which tell you how to fill it out. A copy of each EMPLOYEE'S W-2 must be attached to your annual reconciliation report MW-10 and sent to the Department by February 15th each year.

If you want to use commercially printed multiple forms in place of the Federal W-2 or if you want to use magnetic tapes for reporting by computer, please contact us to obtain approval.



1st Quarter MW-5

1 Federal Employer ID Number

DUE DATE April 30, 1989

89 EMPLOYERS WITHHOLDING REPORT

ABOVE SPACE FOR DEPARTMENT USE ONLY

2 State Employer ID Number

5 If you are no longer an employer and want your account cancelled, enter final payroll date ___/___/___

7 Wages Paid this Quarter ▶

3 Quarter Ending March 31, 1989

6 If ownership has changed since the last report, enter the date the change took place ___/___/___

8 State Income Tax Withheld this Quarter ▶

4 Total Number of Employees

9 Adjustments to a Previous Quarter. Explain on back of this form ▶

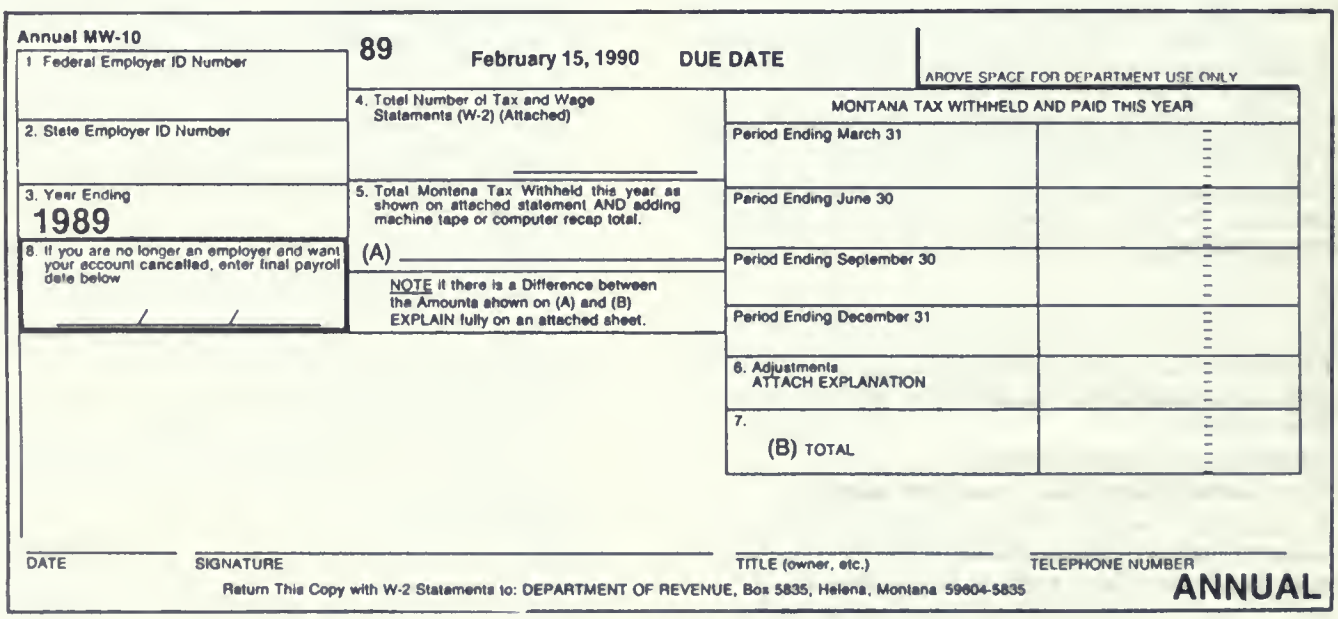
10 Amount Paid With This Return (Sum of lines 8 & 9) ▶

CHANGES IN NAME AND/OR ADDRESS

DATE SIGNATURE TITLE (owner etc.) TELEPHONE NUMBER

Make Check Payable to STATE TREASURER and Return with this Copy to: DEPT of REVENUE, Box 5835 Helena, Montana 59604-5835

1-89



Annual MW-10

1 Federal Employer ID Number

89 February 15, 1990 DUE DATE

ABOVE SPACE FOR DEPARTMENT USE ONLY

2. State Employer ID Number

4. Total Number of Tax and Wage Statements (W-2) (Attached)

MONTANA TAX WITHHELD AND PAID THIS YEAR

3. Year Ending 1989

5. Total Montana Tax Withheld this year as shown on attached statement AND adding machine tape or computer recap total.

Period Ending March 31

8. If you are no longer an employer and want your account cancelled, enter final payroll date below ___/___/___

(A) ___

Period Ending June 30

NOTE If there is a Difference between the Amounts shown on (A) and (B) EXPLAIN fully on an attached sheet.

Period Ending September 30

Period Ending December 31

6. Adjustments ATTACH EXPLANATION

7. (B) TOTAL

DATE SIGNATURE TITLE (owner, etc.) TELEPHONE NUMBER

Return This Copy with W-2 Statements to: DEPARTMENT OF REVENUE, Box 5835, Helena, Montana 59604-5835

ANNUAL

Accelerated Filers

Effective April 1, 1987, employers whose total withholdings during a calendar year were $300,000 or more must remit on an accelerated schedule the following year.

The **schedule** is tied to the federal deposit requirements (Rule 4.) If the employer is required to make a federal tax deposit, state withholding must be remitted **to the state.** If an employer pays biweekly and must make a federal tax deposit within 3 banking days, state withholding must be remitted and **postmarked** within 3 state working days of the end of the pay period. The postmark is considered the date of filing.

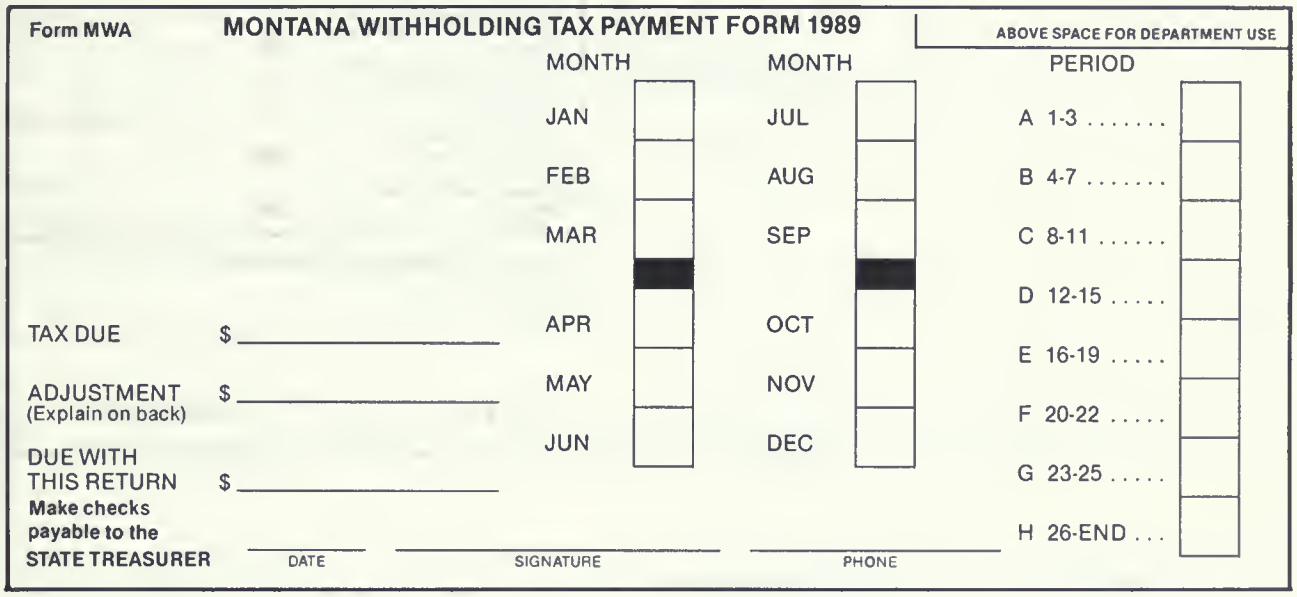
General Instructions

For accelerated filers, the quarterly report has been changed in color and an area has been added to note the payments made during the quarter; the annual report has changed only in color.

How to Pay Taxes Withheld During a Period

A month is divided into 8 monthly periods ending on the 3rd, 7th, 11th, 15th, 19th, 22nd, 25th and last day of the month. On the payment form, check the month and **period** associated with your federal tax deposit.

Below is a sample of the payment form MWA.



Example: For your first weekly payroll in April you withheld $2,000 federal taxes and $500 state tax. You are not required to make a federal tax deposit. The second weekly payroll paid april 15, you withheld $2,000 federal taxes and $500 state tax. You are required to make a federal deposit. You would:

1) check April and period "D" on the state payment form
2) enter tax due $1,000
3) sign, date and enter your phone number in the proper area
4) make a check payable to the State Treasurer
5) send to the Department of Revenue, postmarked no later than 3 state working days after the end of the period.

Quarterly Report

The quarterly report for accelerated filers is green. Follow the direction in the information booklet for lines 9 and 10. Enter the **total payments** made during the **quarter** on line 10. If line 11 shows an amount due, remit payment with the quarterly report. Overpayments and adjustments should be explained in writing and attached to the form.

11 shows an amount due, remit payment with the quarterly report. Overpayments and adjustments should be explained in writing and attached to the form.

FORM MW5-A

1. Federal Employer ID Number

DUE DATE

89 EMPLOYERS WITHHOLDING REPORT

ABOVE SPACE FOR DEPARTMENT USE ONLY

2. State Employer ID Number

3. Quarter Ending

4. Total Number of Employees

5. If you are no longer an employer and want your account **cancelled**, enter final payroll date. ____/____/____

6. If ownership has changed since the last report, enter the date the change took place. ____/____/____

7. Wages Paid this Quarter ▶

8. State Income Tax Withheld this Quarter ▶

9. Adjustments to a Previous Period ▶

10. Less Total Payments made during the Period ▶

11. Total Paid (overpaid) with Return ▶

CHANGES IN NAME AND OR ADDRESS

DATE SIGNATURE TITLE (owner, etc.) TELEPHONE NUMBER 89

Make Check Payable to STATE TREASURER and Return with this Copy to: DEPT. of REVENUE, Box 5835 Helena, Montana 59604-5835

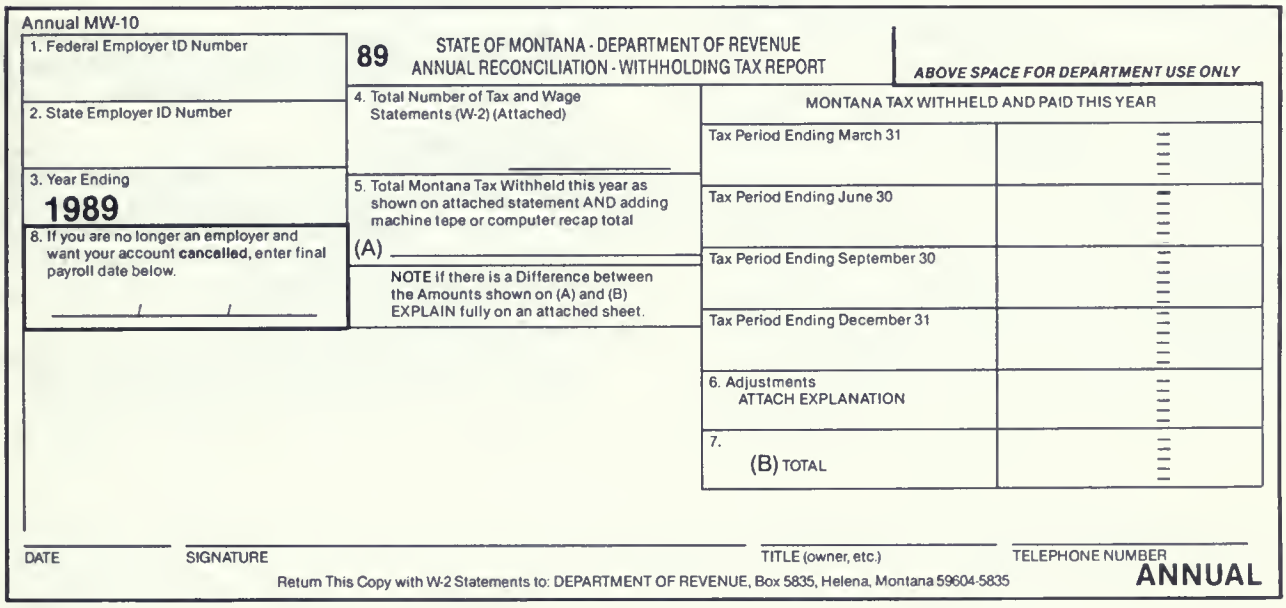
The back of the form is similar to the bottom area on the federal Form 941. It is used to reconcile the period payments for the quarter. Under A, note tax withheld during each period or an adjustment from a period in a previous quarter. Under B, note amount paid and under C date payment was mailed.

For example, using the situation above:

		A Amount withheld	B Amount paid	C Date mailed
11.	Overpayment credit from previous quarter			
	Tax withheld and deposited First month			
A	1st thru 3rd day			
A	1st thru 3rd day			
B	4th thru 7th day			
C	8th thru 11th day			
D	12th thru 15th day			
E	16th thru 19th day			
F	20th thru 22nd day			
G	23rd thru 25th day			
12.	First month total			

The first week payroll did not require a federal tax deposit. The second week payroll required both. A check for $1,000 was sent to the Department of Revenue.

The report for accelerated filers is blue. The Annual Reconciliation procedure has not changed. For subsequent printings, however, since the word "period" has taken on a new meaning "quarter ending" will be used on the form, rather than "period ending".



Annual MW-10

1. Federal Employer ID Number

2. State Employer ID Number

3. Year Ending
1989

8. If you are no longer an employer and want your account **cancelled**, enter final payroll date below.
____ / ____ / ____

89 STATE OF MONTANA - DEPARTMENT OF REVENUE
ANNUAL RECONCILIATION - WITHHOLDING TAX REPORT

ABOVE SPACE FOR DEPARTMENT USE ONLY

4. Total Number of Tax and Wage Statements (W-2) (Attached) ____

5. Total Montana Tax Withheld this year as shown on attached statement AND adding machine tape or computer recap total
(A) ____

NOTE if there is a Difference between the Amounts shown on (A) and (B) EXPLAIN fully on an attached sheet.

MONTANA TAX WITHHELD AND PAID THIS YEAR	
Tax Period Ending March 31	
Tax Period Ending June 30	
Tax Period Ending September 30	
Tax Period Ending December 31	
6. Adjustments ATTACH EXPLANATION	
7. (B) TOTAL	

DATE ____ SIGNATURE ____ TITLE (owner, etc.) ____ TELEPHONE NUMBER ____

Return This Copy with W-2 Statements to: DEPARTMENT OF REVENUE, Box 5835, Helena, Montana 59604-5835

ANNUAL

What To Do When You Go Out of Business

If you decide to go out of business or permanently stop paying WAGES, you should notify us immediately by writing in the final payroll date in Box 5 on the MW-5 report form for the current quarter and sending it to us within 30 days of the final payroll date.

In addition, you must submit copy 1 ("STATE" copy) of the Federal W-2 form for each EMPLOYEE and MW-10 — Annual Reconciliation reporting WAGES and income tax withheld during the final year of business.

Penalties for Failure to Comply with the Law

Failure to Withhold Tax. If an EMPLOYER fails to withhold tax from WAGES as required, the employer becomes liable for the taxes which should have been withheld, unless already paid by the employee. However, all penalties, interest or other additions to the tax will be computed and assessed based on the total tax which should have been withheld.

Failure to pay over amounts withheld within the time provided for payment, and use of such amounts in forwarding the EMPLOYER'S business pursuits, is deemed to be an illegal conversion of trust monies.

Late Filing of Return. A penalty equal to the greater of $5.00 or 5% of the tax due is charged when a return is not filed when due, unless reasonable cause is shown.

Failure to Pay Tax when Due. A penalty equal to the greater of $5.00 or 10% of the tax due is charged when the tax is not paid when due, unless reasonable cause is shown. In addition, interest accrues at a rate of 9% annually on the tax due until paid.

Failure to Provide Earning Statements A $5 penalty per W-2 (minimum $50.00) will be assessed on employer accounts when wage statements are postmarked after the deadline date (Feb. 15).

Repeated Delinquency. A 25% penalty (minimum $25) and 12% interest will be assessed on employer accounts that become habitually delinquent. Habitual is defined as: 3 or more times late over a period of 3 years.

Intent to Evade. Additional penalties of up to $1000 may be assessed if it is established that an EMPLOYER who, with intent to evade tax or any lawful requirements of the Department, has knowingly or purposely:

- Failed to pay withholdings when due,
- Failed to supply required information, or
- Provided false or fraudulent information.

Evasion is a criminal misdemeanor which, upon conviction, is punishable by a fine of up to $1000 and/or imprisonment.

Waiver

- Montana law states a penalty may be waived if the employer provides reasonable cause for failure to timely file and/or pay. Reasonable cause is defined: if the taxpayer exercised ordinary business care and prudence and was nevertheless **unable** to file and/or pay in a timely manner.
- Ignorance and neglect are not reasonable cause. "The bookkeeper (my employee) was responsible", "the accountant did it", "I didn't have forms" are not reasonable causes.

Individual Liability

The officer or EMPLOYEE of a corporation responsible for withholding and remitting tax from the WAGES of the corporation's EMPLOYEES is personally liable for the amount withheld together with any penalty and interest on the amount if it is established that he willfully failed to remit the money to the state.

Montana Withholding Law

Laws supporting the general information contained in this booklet can be found in Sections 15-30-201 through 15-30-331, M.C.A.

TO ASSURE PROPER PROCESSING, PLEASE FILL OUT COMPLETELY, TYPEWRITE OR PRINT IN INK

1. Federal Employer I.D. Number

MONTANA

DEPARTMENT OF REVENUE
SEE INSTRUCTIONS ON BACK
WITHHOLDING TAX REGISTRATION

2. State Employer I.D. Number *(See Instructions)*

3. Name *(Last Name, First, True Name as Distinguished From Trade Name. See Instructions)*

4. Enter Date Wages First Paid *(See Instructions)*

5. Trade Name, if any *(Enter Name Under Which Business is Operated, if Different From Item 3)*

Enter Peak Number of Montana Employees Expected in Next 12 Months

6. Mailing Address

11. Business Type:
Is your business seasonal? Yes ☐ No ☐

7. Mailing Address

If yes, dates of operation
From _____ To _____

8. City 9. State 10. Zip Code

Is your spouse your only employee
Yes ☐ No ☐

13. Type of Organization *(Check Applicable Box and Complete Section Below as Indicated)*
1 ☐ Governmental
3 ☐ Partnership *(Complete Section III)*
5 ☐ Non-Profit Organization *(Complete Section III)*
2 ☐ Individual *(Complete Section II)*
4 ☐ Corporation *(Complete Section III)*
6 ☐ Other *(Specify _____)* *(Complete Sections III & IV)*

Is your business Agricultural Yes ☐ No ☐
Other *(office use only)*

12. County of Principal Employment

Nature of Business *(See Instructions)*

14. Please Leave Blank

REASON FOR APPLICATION *(Check applicable box and complete section below if indicated)* SEE INSTRUCTIONS

☐ Started New Business
☐ Purchased Existing Business *(Complete Section IV)*
☐ Re-registration *(Complete Section IV)*
☐ Entity Change *(Complete Section IV)*
☐ Other *(Complete Section V)*

Person Responsible for Preparing and Filing Withholding Forms | Title | Phone #

FILL OUT THE FOLLOWING AS INDICATED:

I Complete this section if the actual business location is different from the mailing address.

Business Address

Business Address

City | State | Zip Code

II Complete this section for Individual Business

Owner Name | Owner Social Security Number

III Complete this section if business is a partnership, corporation, or non-profit organization. List additional partners on reverse side of form.

(Pres) or (Partner) | Social Security Number

(Secretary) or (Partner) | Social Security Number

(Treasurer) or (Partner) | Social Security Number

IV Complete this section if you purchased an existing business, are re-registering, or changing entity *(type of organization)*.

Previous Business Name | Date Acquired

Previous Owner(s) | Preceding State Employer I.D. Number

V Complete this section when required to explain type of organization other than those listed in Item 13, or reason for application other than those listed or to continue any other items.

DATE | SIGNATURE OF (OWNER) (PARTNER) (PRESIDENT) | TELEPHONE NUMBER

RETURN COMPLETED FORM TO:

WITHHOLDING TAX BUREAU
P.O. BOX 5835
MT Department of Revenue
Helena, Montana 59604-5835 Phone: 406-444-2837

ER-1
FORM ER-1 (Rev. 1/88)

42.17.112 EMPLOYER WITHHOLDING REGISTRATION (1) Every employer required to withhold income tax must file an application for an account number on Form ER-1. A new employer who has acquired the business of another employer must not use his predecessor's account number. Application for an account number is to be made to the Department of Revenue, Helena, Montana. **No registration is considered complete unless the federal employer identification number appears on the application. Not being registered does not relieve an employer from withholding and reporting requirements.**

INSTRUCTIONS FOR PREPARING FORM ER-1

ITEMS 1 & 2

Enter the nine digit Federal Employer Identification Number assigned to your business by the Internal Revenue Service in Item 1. Applications will be returned if Federal number is not supplied. If a business has been issued a Montana Withholding Identification Number, enter the number in Item 2. Do not enter a state number if application is being made for a new federal number.

ITEMS 3 & 5

Enter the true name of the applicant in Item 3, and the trade name, if any, which you use for business purposes, in Item 5. For example, if John J. Doe, an individual owner operates a motel under the trade name of "Wayside Inn," he would enter his true name, "Doe, John J.," in Item 3, and the business name, "Wayside Inn," in Item 5.

If a partnership, enter the first name, middle initial, and last name of the primary partner in Item 3. List other partner(s) name(s) in Section III.

If a trust, enter the name of the trust in Item 3 and the name of the trustee in Item 5.

ITEM 4

ENTER FIRST DATE YOU PAID OUT OR WILL PAY OUT WAGES TO EMPLOYEES IN MONTANA, FOR EXAMPLE:
SEPTEMBER 16, 1988

ITEM 11 Business Type—

Complete this section by answering the questions using the boxes provided.

Seasonal—Be sure to give your dates of operation if you are seasonal.

Spouse—Answer "yes" if your spouse is your ONLY employee.

Agricultural—You are not required to withhold on wages paid agricultural employees. If you voluntarily withhold, you are subject to all withholding requirements.

ITEM 13

Governmental—Check if organization is a State, county school district, municipality, etc., or is related to such entities, for example: county hospital, city library, etc.

Non-Profit Organization (other than Governmental)—Check if organized for religious, charitable, scientific, literary, educational, humane or fraternal purposes, etc. Generally an organization is a non-profit organization if it is exempt from income taxation under provisions of the Internal Revenue Code, Section 501.

NATURE OF BUSINESS

Describe the kind of business carried on in Montana. See following examples:

(a) Governmental—State type of governmental organization, whether a State, county school district, municipality, etc., or relationship to such entities, for example: county hospital, city library, etc.

(b) Non-profit (other than Governmental)—State whether organized for religious, charitable, scientific, literary, educational, or humane purposes and state the principal activity, for example: religious organization - hospital; charitable organization home for the aged; etc.

(c) Mining and Quarrying—State the process and the principal product, for example mining bituminous coal, contract drilling for oil, quarrying dimension stone, etc.

(d) Contract Construction—State whether general contractor or special trade contractor and show type of work normally performed, for example: general contracting for residential buildings, electrical subcontractor, etc.

(e) Manufacturing—State type of establishment operated, for example: sawmill, vegetable cannery, etc. State the principal product manufactured and raw material used.

(f) Other activities—State exact type of business operated, for example: advertising agency, farm, labor union, real estate agency, steam laundry, rental of coin-operated vending machines, investment club, trust, etc.

REASON FOR APPLICATION

Purchasing existing business—If you have acquired a business from another, it is necessary to provide the former owner's name in Section IV and apply for a new account number in order to avoid potential claims against your business that relate to the former owner's tax liabilities.

Re-registration—You are required to re-register with the Department of Revenue whenever there is a change in ownership, or if a corporation, a change in corporate officers. Occasionally, the Department may require a re-registration in order to implement legislative or procedural changes.

Entity change—If you have changed your type of organization, for example: Partnership to corporation, individual to partnership — complete Section IV. A new state registration must be submitted when you change entity. You need a new federal number and the State will issue you a new State number.

SECTIONS I-V

Complete the Sections which apply to your business, otherwise leave blank.

LIST PARTNERS BELOW:

Partner Name	Social Security Number

MONTHLY WITHHOLDING TABLE

(Effective January 1, 1989)

Wages Paid at least	but less than	Number of Withholding Allowances Claimed 0	1	2	3	4	5	6	7	8	9	10 or more*
		Amount of Tax to be Withheld										
0	25	0.33										
25	50	0.98										
50	75	1.63										
75	100	2.28										
100	125	2.93										
125	150	3.58	0.54									
150	175	4.23	1.19									
175	200	4.88	1.84									
200	225	5.53	2.49									
225	250	6.18	3.14	0.11								
250	275	6.83	3.79	0.76								
275	300	7.48	4.44	1.41								
300	325	8.13	5.09	2.06								
325	350	8.78	5.74	2.71								
350	375	9.43	6.39	3.36	0.33							
375	400	10.08	7.04	4.01	0.98							
400	425	10.73	7.69	4.66	1.63							
425	450	11.38	8.34	5.31	2.28							
450	475	12.03	8.99	5.96	2.93							
475	500	12.68	9.64	6.61	3.58	0.54						
500	550	13.65	10.62	7.58	4.55	1.52						
550	600	15.42	11.92	8.88	5.85	2.82						
600	650	17.62	13.22	10.18	7.15	4.12	1.08					
650	700	19.82	14.68	11.48	8.45	5.42	2.38					
700	750	22.02	16.88	12.78	9.75	6.72	3.68	0.65				
750	800	24.22	19.08	14.08	11.05	8.02	4.98	1.95				
800	850	26.42	21.28	16.15	12.35	9.32	6.28	3.25	0.22			
850	900	28.62	23.48	18.35	13.65	10.62	7.58	4.55	1.52			
900	950	30.82	25.68	20.55	15.42	11.92	8.88	5.85	2.82			
950	1000	33.02	27.88	22.75	17.62	13.22	10.18	7.15	4.12	1.08		
1000	1100	36.32	31.18	26.05	20.92	15.78	12.13	9.10	6.07	3.03		
1100	1200	40.72	35.58	30.45	25.32	20.18	15.05	11.70	8.67	5.63	2.60	
1200	1300	45.68	39.98	34.85	29.72	24.58	19.45	14.32	11.27	8.23	5.20	2.17
1300	1400	51.78	44.67	39.25	34.12	28.98	23.85	18.72	13.87	10.83	7.80	4.77
1400	1500	57.88	50.77	43.65	38.52	33.38	28.25	23.12	17.98	13.43	10.40	7.37
1500	1600	63.98	56.87	49.75	42.92	37.78	32.65	27.52	22.38	17.25	13.00	9.97
1600	1700	70.08	62.97	55.85	48.73	42.18	37.05	31.92	26.78	21.65	16.52	12.57
1700	1800	76.18	69.07	61.95	54.83	47.72	41.45	36.32	31.18	26.05	20.92	15.78
1800	1900	82.28	75.17	68.05	60.93	53.82	46.70	40.72	35.58	30.45	25.32	20.18
1900	2000	88.38	81.27	74.15	67.03	59.92	52.80	45.68	39.98	34.85	29.72	24.58
2000	2100	94.48	87.37	80.25	73.13	66.02	58.90	51.78	44.67	39.25	34.12	28.98
2100	2200	100.58	93.47	86.35	79.23	72.12	65.00	57.88	50.77	43.65	38.52	33.38
2200	2300	106.68	99.57	92.45	85.33	78.21	71.10	63.98	56.87	49.75	42.92	37.78
2300	2400	112.78	105.67	98.55	91.43	84.32	77.20	70.08	62.97	55.85	48.73	42.18
2400	2500	118.88	111.77	104.65	97.53	90.42	83.30	76.18	69.07	61.95	54.83	47.72
2500	2600	124.98	117.87	110.75	103.63	96.52	89.40	82.28	75.17	68.05	60.93	53.82
2600	2700	131.08	123.97	116.85	109.73	102.62	95.50	88.38	81.27	74.15	67.03	59.92
2700	2800	137.52	130.07	122.95	115.83	108.72	101.60	94.48	87.37	80.25	73.13	66.02
2800	2900	144.02	136.43	129.05	121.93	114.82	107.70	100.58	93.47	86.35	79.23	72.12
2900	3000	150.52	142.93	135.35	128.03	120.92	113.80	106.68	99.57	92.45	85.33	78.21
3000	3100	157.02	149.43	141.85	134.27	127.02	119.90	112.78	105.67	98.55	91.43	84.32
3100	3200	163.52	155.93	148.35	140.77	133.18	126.00	118.88	111.77	104.65	97.53	90.42
3200	3300	170.02	162.43	154.85	147.27	139.68	132.10	124.98	117.87	110.75	103.63	96.52
3300	3400	176.52	168.93	161.35	153.77	146.18	138.60	131.08	123.97	116.85	109.73	102.62
3400	3500	183.02	175.43	167.85	160.27	152.68	145.10	137.52	130.07	122.95	115.83	108.72
3500	3600	189.52	181.93	174.35	166.77	159.18	151.60	144.02	136.43	129.05	121.93	114.82
3600	3700	196.02	188.43	180.85	173.27	165.68	158.10	150.52	142.93	135.35	128.03	120.92
3700	3800	202.52	194.93	187.35	179.77	172.18	164.60	157.02	149.43	141.85	134.27	127.02
3800	3900	209.02	201.43	193.85	186.27	178.68	171.10	163.52	155.93	148.35	140.77	133.18
3900	4000	215.52	207.93	200.35	192.77	185.18	177.60	170.02	162.43	154.85	147.27	139.68
		6.5% of the amount over $4000 plus . . .										
4000	or over	218.77	211.18	203.60	196.02	188.43	180.85	173.27	165.68	158.10	150.52	142.93

* If more than 10 allowances are claimed, formula must be used to compute withholding.

SEMIMONTHLY WITHHOLDING TABLE

(Effective January 1, 1989)

Wages Paid at least	but less than	Number of Withholding Allowances Claimed 0	1	2	3	4	5	6	7	8	9	10 or more*
		Amount of Tax to be Withheld										
0	20	0.26										
20	30	0.65										
30	40	0.91										
40	50	1.17										
50	60	1.43										
60	70	1.69	0.17									
70	80	1.95	0.43									
80	90	2.21	0.69									
90	100	2.47	0.95									
100	110	2.73	1.21									
110	120	2.99	1.47									
120	130	3.25	1.73	0.22								
130	140	3.51	1.99	0.48								
140	150	3.77	2.25	0.74								
150	160	4.03	2.51	1.00								
160	170	4.29	2.77	1.26								
170	180	4.55	3.03	1.52								
180	195	4.88	3.36	1.84	0.33							
195	210	5.27	3.75	2.23	0.72							
210	225	5.66	4.14	2.62	1.11							
225	240	6.05	4.53	3.01	1.50							
240	255	6.44	4.92	3.40	1.89	0.37						
255	270	6.83	5.31	3.79	2.28	0.76						
270	285	7.27	5.70	4.18	2.67	1.15						
285	300	7.93	6.09	4.57	3.06	1.54	0.02					
300	320	8.70	6.54	5.03	3.51	1.99	0.48					
320	340	9.58	7.06	5.55	4.03	2.51	1.00					
340	360	10.46	7.89	6.07	4.55	3.03	1.52					
360	380	11.34	8.77	6.59	5.07	3.55	2.04	0.52				
380	400	12.22	9.65	7.11	5.59	4.07	2.56	1.04				
400	420	13.10	10.53	7.96	6.11	4.59	3.08	1.56	0.04			
420	440	13.98	11.41	8.84	6.63	5.11	3.60	2.08	0.56			
440	460	14.86	12.29	9.72	7.16	5.63	4.12	2.60	1.08			
460	480	15.74	13.17	10.60	8.04	6.15	4.64	3.12	1.60	0.09		
480	500	16.62	14.05	11.48	8.92	6.67	5.16	3.64	2.12	0.61		
500	525	17.61	15.04	12.47	9.91	7.34	5.74	4.23	2.71	1.19		
525	550	18.71	16.14	13.57	11.01	8.44	6.39	4.88	3.36	1.84	0.33	
550	575	19.81	17.24	14.67	12.11	9.54	7.04	5.53	4.01	2.49	0.98	
575	600	20.91	18.34	15.77	13.21	10.64	8.07	6.18	4.66	3.14	1.63	0.11
600	625	22.08	19.44	16.87	14.31	11.74	9.17	6.83	5.31	3.79	2.28	0.76
625	650	23.60	20.54	17.97	15.41	12.84	10.27	7.71	5.96	4.44	2.93	1.41
650	675	25.13	21.64	19.07	16.51	13.94	11.37	8.81	6.61	5.09	3.58	2.06
675	700	26.65	23.10	20.17	17.61	15.04	12.47	9.91	7.34	5.74	4.23	2.71
700	725	28.18	24.62	21.27	18.71	16.14	13.57	11.01	8.44	6.39	4.88	3.36
725	750	29.70	26.15	22.59	19.81	17.24	14.67	12.11	9.54	7.04	5.53	4.01
750	800	31.99	28.43	24.87	21.46	18.89	16.32	13.76	11.19	8.62	6.50	4.98
800	850	35.04	31.48	27.92	24.37	21.09	18.52	15.96	13.39	10.82	8.26	6.28
850	900	38.09	34.53	30.97	27.42	23.86	20.72	18.16	15.59	13.02	10.46	7.89
900	950	41.14	37.58	34.02	30.47	26.91	23.35	20.36	17.79	15.22	12.66	10.09
950	1000	44.19	40.63	37.07	33.52	29.96	26.40	22.84	19.99	17.42	14.86	12.29
1000	1100	48.77	45.21	41.65	38.09	34.53	30.97	27.42	23.86	20.72	18.16	15.59
1100	1200	54.87	51.31	47.75	44.19	40.63	37.07	33.52	29.96	26.40	22.84	19.99
1200	1300	60.97	57.41	53.85	50.29	46.73	43.17	39.62	36.06	32.50	28.94	25.38
1300	1400	67.13	63.51	59.95	56.39	52.83	49.27	45.72	42.16	38.60	35.04	31.48
1400	1500	73.63	69.84	66.05	62.49	58.93	55.37	51.82	48.26	44.70	41.14	37.58
1500	1600	80.13	76.34	72.55	68.76	65.03	61.47	57.92	54.36	50.80	47.24	43.68
1600	1700	86.63	82.84	79.05	75.26	71.47	67.67	64.02	60.46	56.90	53.34	49.78
1700	1800	93.13	89.34	85.55	81.76	77.97	74.17	70.38	66.59	63.00	59.44	55.88
1800	1900	99.63	95.84	92.05	88.26	84.47	80.67	76.88	73.09	69.30	65.54	61.98
1900	2000	106.13	102.34	98.55	94.76	90.97	87.17	83.38	79.59	75.80	72.01	68.22
		6.5% of the amount over $2000 plus . . .										
2000	or over	109.38	105.59	101.80	98.01	94.22	90.42	86.63	82.84	79.05	75.26	71.47

* If more than 10 allowances are claimed, formula must be used to compute withholding.

BI-WEEKLY WITHHOLDING TABLE

(Effective January 1, 1989)

Wages Paid at least	but less than	Number of Withholding Allowances Claimed 0	1	2	3	4	5	6	7	8	9	10 or more*
		Amount of Tax to be Withheld										
0	20	0.26										
20	30	0.65										
30	40	0.91										
40	50	1.17										
50	60	1.43	0.03									
60	70	1.69	0.29									
70	80	1.95	0.55									
80	90	2.21	0.81									
90	100	2.47	1.07									
100	110	2.73	1.33									
110	120	2.99	1.59	0.19								
120	130	3.25	1.85	0.45								
130	140	3.51	2.11	0.71								
140	150	3.77	2.37	0.97								
150	160	4.03	2.63	1.23								
160	170	4.29	2.89	1.49	0.09							
170	180	4.55	3.15	1.75	0.35							
180	195	4.88	3.48	2.08	0.68							
195	210	5.27	3.87	2.47	1.07							
210	225	5.66	4.26	2.86	1.46	0.06						
225	240	6.05	4.65	3.25	1.85	0.45						
240	255	6.44	5.04	3.64	2.24	0.84						
255	270	6.99	5.43	4.03	2.63	1.23						
270	285	7.65	5.82	4.42	3.02	1.62	0.22					
285	300	8.31	6.21	4.81	3.41	2.01	0.61					
300	320	9.08	6.71	5.26	3.86	2.46	1.06					
320	340	9.96	7.59	5.78	4.38	2.98	1.58	0.18				
340	360	10.84	8.47	6.30	4.90	3.50	2.10	0.70				
360	380	11.72	9.35	6.98	5.42	4.02	2.62	1.22				
380	400	12.60	10.23	7.86	5.94	4.54	3.14	1.74	0.34			
400	420	13.48	11.11	8.74	6.46	5.06	3.66	2.26	0.86			
420	440	14.36	11.99	9.62	7.25	5.58	4.18	2.78	1.38			
440	460	15.24	12.87	10.50	8.13	6.10	4.70	3.30	1.90	0.50		
460	480	16.12	13.75	11.38	9.01	6.64	5.22	3.82	2.42	1.02		
480	500	17.00	14.63	12.26	9.89	7.52	5.74	4.34	2.94	1.54	0.14	
500	525	17.99	15.62	13.25	10.88	8.51	6.33	4.93	3.53	2.13	0.73	
525	550	19.09	16.72	14.35	11.98	9.61	7.24	5.58	4.18	2.78	1.38	
550	575	20.20	17.82	15.45	13.08	10.71	8.34	6.23	4.83	3.43	2.03	0.63
575	600	21.73	18.92	16.55	14.18	11.81	9.44	7.07	5.48	4.08	2.68	1.28
600	625	23.25	20.02	17.65	15.28	12.91	10.54	8.17	6.13	4.73	3.33	1.93
625	650	24.78	21.49	18.75	16.38	14.01	11.64	9.27	6.90	5.38	3.98	2.58
650	675	26.30	23.02	19.85	17.48	15.11	12.74	10.37	8.00	6.03	4.63	3.23
675	700	27.83	24.54	21.26	18.58	16.21	13.84	11.47	9.10	6.73	5.28	3.88
700	725	29.35	26.07	22.78	19.68	17.31	14.94	12.57	10.20	7.83	5.93	4.53
725	750	30.88	27.59	24.31	21.03	18.41	16.04	13.67	11.30	8.93	6.58	5.18
750	800	33.17	29.88	26.60	23.31	20.06	17.69	15.32	12.95	10.58	8.21	6.15
800	850	36.22	32.93	29.65	26.36	23.08	19.89	17.52	15.15	12.78	10.41	8.05
850	900	39.27	35.98	32.70	29.41	26.13	22.84	19.72	17.35	14.98	12.61	10.25
900	950	42.32	39.03	35.75	32.46	29.18	25.89	22.61	19.55	17.18	14.81	12.45
950	1000	45.37	42.08	38.80	35.51	32.23	28.94	25.66	22.37	19.38	17.01	14.65
1000	1100	49.94	46.66	43.37	40.09	36.80	33.52	30.23	26.95	23.66	20.38	17.95
1100	1200	56.04	52.76	49.47	46.19	42.90	39.62	36.33	33.05	29.76	26.48	23.20
1200	1300	62.22	58.86	55.57	52.29	49.00	45.72	42.43	39.15	35.86	32.58	29.30
1300	1400	68.72	65.22	61.72	58.39	55.10	51.82	48.53	45.25	41.96	38.68	35.40
1400	1500	75.22	71.72	68.22	64.72	61.22	57.92	54.63	51.35	48.06	44.78	41.50
1500	1600	81.72	78.22	74.72	71.22	67.72	64.22	60.73	57.45	54.16	50.88	47.60
1600	1700	88.22	84.72	81.22	77.72	74.22	70.72	67.22	63.72	60.26	56.98	53.70
1700	1800	94.72	91.22	87.72	84.22	80.72	77.22	73.72	70.22	66.72	63.22	59.80
1800	1900	101.22	97.72	94.22	90.72	87.22	83.72	80.22	76.72	73.22	69.72	66.22
1900	2000	107.72	104.22	100.72	97.22	93.72	90.22	86.72	83.22	79.72	76.22	72.72
		6.5% of the amount over $2000 plus . . .										
2000	or over	110.97	107.47	103.97	100.47	96.97	93.47	89.97	86.47	82.97	79.47	75.97

* If more than 10 allowances are claimed, formula must be used to compute withholding.

WEEKLY WITHHOLDING TABLE

(Effective January 1, 1989)

Wages Paid at least	but less than	Number of Withholding Allowances Claimed 0	1	2	3	4	5	6	7	8	9	10 or more*
		Amount of Tax to be Withheld										
0	10	0.13										
10	15	0.33										
15	20	0.46										
20	25	0.59										
25	30	0.72	0.02									
30	35	0.85	0.15									
35	40	0.98	0.28									
40	45	1.11	0.41									
45	50	1.24	0.53									
50	55	1.37	0.67									
55	60	1.50	0.80	0.10								
60	65	1.63	0.93	0.23								
65	70	1.76	1.06	0.36								
70	75	1.89	1.19	0.49								
75	80	2.02	1.32	0.62								
80	85	2.15	1.45	0.75	0.05							
85	90	2.28	1.58	0.88	0.18							
90	95	2.41	1.71	1.01	0.31							
95	100	2.53	1.84	1.14	0.44							
100	110	2.73	2.03	1.33	0.63							
110	120	2.99	2.29	1.59	0.89	0.19						
120	130	3.25	2.55	1.85	1.15	0.45						
130	140	3.66	2.81	2.11	1.41	0.71	0.01					
140	150	4.10	3.07	2.37	1.67	0.97	0.27					
150	160	4.54	3.35	2.63	1.93	1.23	0.53					
160	170	4.98	3.79	2.89	2.19	1.49	0.79	0.09				
170	180	5.42	4.23	3.15	2.45	1.75	1.05	0.35				
180	195	5.97	4.78	3.60	2.78	2.08	1.38	0.68				
195	210	6.63	5.44	4.26	3.17	2.47	1.77	1.07	0.37			
210	225	7.29	6.10	4.92	3.74	2.86	2.16	1.46	0.76	0.06		
225	240	7.95	6.76	5.58	4.40	3.25	2.55	1.85	1.15	0.45		
240	255	8.61	7.42	6.24	5.06	3.87	2.94	2.24	1.54	0.84	0.13	
255	270	9.27	8.08	6.90	5.72	4.53	3.35	2.63	1.93	1.23	0.53	
270	285	9.93	8.74	7.56	6.38	5.19	4.01	3.02	2.32	1.62	0.92	0.22
285	300	10.79	9.40	8.22	7.04	5.85	4.67	3.48	2.71	2.01	1.31	0.61
300	320	11.86	10.21	8.99	7.81	6.62	5.44	4.25	3.16	2.46	1.76	1.06
320	340	13.08	11.43	9.87	8.69	7.50	6.32	5.13	3.95	2.98	2.28	1.58
340	360	14.30	12.65	11.01	9.57	8.38	7.20	6.01	4.83	3.64	2.80	2.10
360	380	15.52	13.87	12.23	10.59	9.26	8.08	6.89	5.71	4.52	3.34	2.62
380	400	16.74	15.09	13.45	11.81	10.17	8.96	7.77	6.59	5.40	4.22	3.14
400	420	17.96	16.31	14.67	13.03	11.39	9.84	8.65	7.47	6.28	5.10	3.91
420	440	19.18	17.53	15.89	14.25	12.61	10.96	9.53	8.35	7.16	5.98	4.79
440	460	20.40	18.75	17.11	15.47	13.83	12.18	10.54	9.23	8.04	6.86	5.67
460	480	21.62	19.97	18.33	16.69	15.05	13.40	11.76	10.12	8.92	7.74	6.55
480	500	22.84	21.19	19.55	17.91	16.27	14.62	12.98	11.34	9.80	8.62	7.43
500	525	24.21	22.57	20.92	19.28	17.64	16.00	14.35	12.71	11.07	9.61	8.42
525	550	25.73	24.09	22.45	20.81	19.16	17.52	15.88	14.24	12.59	10.95	9.52
550	575	27.26	25.62	23.97	22.33	20.69	19.05	17.40	15.76	14.12	12.48	10.84
575	600	28.78	27.14	25.50	23.86	22.21	20.57	18.93	17.29	15.64	14.00	12.36
600	625	30.31	28.67	27.02	25.38	23.74	22.10	20.45	18.81	17.17	15.53	13.89
625	650	31.92	30.19	28.55	26.91	25.26	23.62	21.98	20.34	18.69	17.05	15.41
650	675	33.55	31.80	30.07	28.43	26.79	25.15	23.50	21.86	20.22	18.58	16.94
675	700	35.17	33.42	31.67	29.96	28.31	26.67	25.03	23.39	21.74	20.10	18.46
700	725	36.80	35.05	33.30	31.55	29.84	28.20	26.55	24.91	23.27	21.63	19.99
725	750	38.42	36.67	34.92	33.17	31.42	29.72	28.08	26.44	24.79	23.15	21.51
750	800	40.86	39.11	37.36	35.61	33.86	32.11	30.37	28.72	27.08	25.44	23.80
800	850	44.11	42.36	40.61	38.86	37.11	35.36	33.61	31.86	30.13	28.49	26.85
850	900	47.36	45.61	43.86	42.11	40.36	38.61	36.86	35.11	33.36	31.61	29.90
900	950	50.61	48.86	47.11	45.36	43.61	41.86	40.11	38.36	36.61	34.86	33.11
950	1000	53.86	52.11	50.36	48.61	46.86	45.11	43.36	41.61	39.86	38.11	36.36
		6.5% of the amount over $1000 plus . . .										
1000	or over	55.48	53.73	51.98	50.23	48.48	46.73	44.98	43.23	41.48	39.73	37.98

* If more than 10 allowances are claimed, formula must be used to compute withholding.

DAILY WITHHOLDING TABLE

(Effective January 1, 1989)

Wages Paid at least	but less than	Number of Withholding Allowances Claimed 0	1	2	3	4	5	6	7	8	9	10 or more*
		Amount of Tax to be Withheld										
0	2	0.03										
2	4	0.08										
4	6	0.13	0.03									
6	8	0.18	0.08									
8	10	0.23	0.13	0.03								
10	12	0.29	0.19	0.09								
12	14	0.34	0.24	0.14	0.04							
14	16	0.39	0.29	0.19	0.09							
16	18	0.44	0.34	0.24	0.14	0.04						
18	20	0.51	0.39	0.29	0.19	0.10						
20	22	0.60	0.45	0.35	0.25	0.15	0.05					
22	24	0.69	0.52	0.40	0.30	0.20	0.10					
24	26	0.78	0.61	0.45	0.35	0.25	0.15	0.05				
26	28	0.86	0.69	0.53	0.40	0.30	0.20	0.10				
28	30	0.95	0.78	0.61	0.45	0.36	0.26	0.16	0.06			
30	32	1.04	0.87	0.70	0.53	0.41	0.31	0.21	0.11	0.01		
32	34	1.13	0.96	0.79	0.62	0.46	0.36	0.26	0.16	0.06		
34	36	1.22	1.05	0.88	0.71	0.54	0.41	0.31	0.21	0.11	0.01	
36	38	1.30	1.13	0.97	0.80	0.63	0.46	0.36	0.26	0.16	0.06	
38	40	1.39	1.22	1.05	0.88	0.72	0.55	0.42	0.32	0.22	0.12	0.02
40	42	1.50	1.31	1.14	0.97	0.80	0.64	0.47	0.37	0.27	0.17	0.07
42	44	1.62	1.40	1.23	1.06	0.89	0.72	0.55	0.42	0.32	0.22	0.12
44	46	1.74	1.51	1.32	1.15	0.98	0.81	0.64	0.47	0.37	0.27	0.17
46	48	1.86	1.63	1.41	1.24	1.07	0.90	0.73	0.56	0.42	0.32	0.22
48	50	1.98	1.75	1.52	1.32	1.16	0.99	0.82	0.65	0.48	0.38	0.28
50	52	2.11	1.87	1.64	1.41	1.24	1.08	0.91	0.74	0.57	0.43	0.33
52	54	2.23	1.99	1.76	1.53	1.33	1.16	0.99	0.83	0.66	0.49	0.38
54	56	2.35	2.12	1.88	1.65	1.42	1.25	1.08	0.91	0.74	0.58	0.43
56	58	2.47	2.24	2.00	1.77	1.54	1.34	1.17	1.00	0.83	0.66	0.50
58	60	2.59	2.36	2.13	1.89	1.66	1.43	1.26	1.09	0.92	0.75	0.58
60	62	2.72	2.48	2.25	2.01	1.78	1.55	1.35	1.18	1.01	0.84	0.67
62	64	2.84	2.60	2.37	2.14	1.90	1.67	1.43	1.27	1.10	0.93	0.76
64	66	2.96	2.73	2.49	2.26	2.02	1.79	1.56	1.35	1.18	1.02	0.85
66	68	3.08	2.85	2.61	2.38	2.15	1.91	1.68	1.44	1.27	1.10	0.94
68	70	3.20	2.97	2.74	2.50	2.27	2.03	1.80	1.57	1.36	1.19	1.02
70	72	3.33	3.09	2.86	2.62	2.39	2.16	1.92	1.69	1.45	1.28	1.11
72	74	3.45	3.21	2.98	2.75	2.51	2.28	2.04	1.81	1.58	1.37	1.20
74	76	3.57	3.34	3.10	2.87	2.63	2.40	2.17	1.93	1.70	1.46	1.29
76	78	3.69	3.46	3.22	2.99	2.76	2.52	2.29	2.05	1.82	1.59	1.38
78	80	3.81	3.58	3.35	3.11	2.88	2.64	2.41	2.18	1.94	1.71	1.47
80	82	3.94	3.70	3.47	3.23	3.00	2.77	2.53	2.30	2.06	1.83	1.60
82	85	4.09	3.85	3.62	3.39	3.15	2.92	2.68	2.45	2.22	1.98	1.75
85	90	4.33	4.10	3.86	3.63	3.40	3.16	2.93	2.69	2.46	2.23	1.99
90	95	4.66	4.41	4.17	3.94	3.70	3.47	3.23	3.00	2.77	2.53	2.30
95	100	4.98	4.73	4.48	4.24	4.01	3.77	3.54	3.30	3.07	2.84	2.60
100	105	5.31	5.06	4.81	4.56	4.31	4.08	3.84	3.61	3.38	3.14	2.91
105	110	5.63	5.38	5.13	4.88	4.63	4.39	4.15	3.91	3.68	3.45	3.21
110	115	5.96	5.71	5.46	5.21	4.96	4.71	4.46	4.22	3.99	3.75	3.52
115	120	6.28	6.03	5.78	5.53	5.28	5.04	4.79	4.54	4.29	4.06	3.82
120	125	6.61	6.36	6.11	5.86	5.61	5.36	5.11	4.86	4.61	4.36	4.13
125	130	6.93	6.68	6.43	6.18	5.93	5.69	5.44	5.19	4.94	4.69	4.44
130	135	7.26	7.01	6.76	6.51	6.26	6.01	5.76	5.51	5.26	5.01	4.76
135	140	7.58	7.33	7.08	6.83	6.58	6.34	6.09	5.84	5.59	5.34	5.09
140	145	7.91	7.66	7.41	7.16	6.91	6.66	6.41	6.16	5.91	5.66	5.41
145	150	8.23	7.98	7.73	7.48	7.23	6.99	6.74	6.49	6.24	5.99	5.74
150	160	8.72	8.47	8.22	7.97	7.72	7.47	7.22	6.97	6.72	6.48	6.23
160	170	9.37	9.12	8.87	8.62	8.37	8.12	7.87	7.62	7.37	7.13	6.88
170	180	10.02	9.77	9.52	9.27	9.02	8.77	8.52	8.27	8.02	7.78	7.53
180	190	10.67	10.42	10.17	9.92	9.67	9.42	9.17	8.92	8.67	8.43	8.18
190	200	11.32	11.07	10.82	10.57	10.32	10.07	9.82	9.57	9.32	9.08	8.83
		6.5% of the amount over $200 plus . . .										
200	or over	11.64	11.40	11.15	10.90	10.65	10.40	10.15	9.90	9.65	9.40	9.15

* If more than 10 allowances are claimed, formula must be used to compute withholding.

MONTANA WITHHOLDING TAX FORMULA FOR COMPUTERIZED PAYROLL SYSTEMS

(effective for wages paid on or after January 1, 1989)

This formula will duplicate the results found in tables immediately preceding this section.
If you have any problems in applying these formulas to your payroll do not hesitate to call 444-2981 for assistance.

Definitions

Y = Gross earnings for the payroll period.
T = Net taxable earnings for the payroll period.
N = Number of withholding allowances claimed.
W = Withholding tax for the payroll period.
A = Accumulated tax liability shown for the applicable net taxable earnings bracket. See the tax schedule for your payroll period.
B = Marginal tax rate percentage shown for the applicable net taxable earnings bracket. See the tax schedule for your payroll period.
C = Minimum net taxable earnings shown for the applicable net taxable earnings bracket. See the tax schedule for your payroll period.

NOTE:

There is a two-step calculation involved in this formula:
First, Net Taxable Earnings T must be computed;
Second, the actual tax to be withheld W is calculated from the schedule.

ANNUAL PAYROLL PERIOD

(1) T = Y - 1400 N
(2) W = A + B (T-C), where

Annual Net Taxable Earnings, T		Annual Withholding Tax, W				
At least	But less than	A	plus	B	times the amount by which T exceeds	C
$ 0	$ 6590	$		2.6%	of the net taxable earnings	
$ 6590	$ 14600	$ 171.34	plus	4.4%	of the net taxable earnings over	$ 6590
$ 14600	$ 32000	$ 523.78	plus	6.1%	of the net taxable earnings over	$ 14600
$ 32000	$ --	$ 1585.18	plus	6.5%	of the net taxable earnings over	$ 32000

MONTHLY PAYROLL PERIOD

(1) T = Y - 116.667 N
(2) W = A + B (T-C), where

Annual Net Taxable Earnings, T		Annual Withholding Tax, W				
At least	But less than	A	plus	B	times the amount by which T exceeds	C
$ 0.00	$ 549.17	$		2.6%	of the net taxable earnings	
$ 549.17	$ 1216.67	$ 14.28	plus	4.4%	of the net taxable earnings over	$ 549.17
$ 1216.67	$ 2666.67	$ 43.65	plus	6.1%	of the net taxable earnings over	$ 1216.67
$ 2666.67	$ --	$ 132.10	plus	6.5%	of the net taxable earnings over	$ 2666.67

SEMIMONTHLY PAYROLL PERIOD

(1) T = Y - 58.333 N
(2) W = A + B (T-C), where

Annual Net Taxable Earnings, T		Annual Withholding Tax, W				
At least	But less than	A	plus	B	times the amount by which T exceeds	C
$ 0.00.....	$ 274.58.....	$		2.6%	of the net taxable earnings	
$ 274.58.....	$ 608.33.....	$	7.14 plus	4.4%	of the net taxable earnings over	$ 274.58
$ 608.33.....	$ 1333.33.....	$	21.82 plus	6.1%	of the net taxable earnings over	$ 608.33
$ 1333.33.....	$ --	$	66.05 plus	6.5%	of the net taxable earnings over	$ 1333.33

BIWEEKLY PAYROLL PERIOD

(1) T = Y - 53.846 N
(2) W = A + B (T-C), where

Annual Net Taxable Earnings, T		Annual Withholding Tax, W				
At least	But less than	A	plus	B	times the amount by which T exceeds	C
$ 0.00.....	$ 253.46.....	$		2.6%	of the net taxable earnings	
$ 253.46.....	$ 561.54.....	$	6.59 plus	4.4%	of the net taxable earnings over	$ 253.46
$ 561.54.....	$ 1230.77.....	$	20.15 plus	6.1%	of the net taxable earnings over	$ 561.54
$ 1230.77.....	$ --	$	60.97 plus	6.5%	of the net taxable earnings over	$ 1230.77

WEEKLY PAYROLL PERIOD

(1) T = Y - 26.923 N
(2) W = A + B (T-C), where

Annual Net Taxable Earnings, T		Annual Withholding Tax, W				
At least	But less than	A	plus	B	times the amount by which T exceeds	C
$ 0.00.....	$ 126.73.....	$		2.6%	of the net taxable earnings	
$ 126.73.....	$ 280.77.....	$	3.30 plus	4.4%	of the net taxable earnings over	$ 126.73
$ 280.77.....	$ 615.38.....	$	10.07 plus	6.1%	of the net taxable earnings over	$ 280.77
$ 615.38.....	$ --	$	30.48 plus	6.5%	of the net taxable earnings over	$ 615.38

EXAMPLES:

(a) A single employee (one withholding allowance) earns $135 during a weekly payroll period.

Computation of net taxable earning -
T = 135 - (26.923 x 1) = 135 - 26.923 = $108.08

Computation of withholding tax -
W = .026 x 108.08 = $2.81

(b) A two withholding allowance employee (one exemption for the employee, plus one exemption for a dependant) earns $2000 during a monthly payroll period.

Computation of net taxable earning -
T = 2000 - (116.667 x 2) = 2000 - 233.33 = $1766.67

Computation of withholding tax -
W = 43.65 + [.061 x (1766.67 - 1216.67)]
= 43.65 + [.061 x 550]
= 43.65 + 33.55 = $77.20

ADDITIONAL INFORMATION FOR BUSINESSES

We're including a list of a few other state agencies which you might find necessary to contact.

UNEMPLOYMENT INSURANCE

The unemployment insurance program is administered by the Unemployment Ins. Division, Department of Labor and Industry. Employers who are subject to the Federal Unemployment Tax Act or the Montana Unemployment Ins. Law are required to pay taxes on their payrolls each calendar quarter. The rate which a particular employer pays depends on the benefits charged against the employer's account.

Address: **P.O. Box 1728**
Helena, Montana 59624
Phone: **(406) 444-3834**

Information regarding the unemployment insurance program may also be obtained by contacting a field representative at any of the following locations:

Billings	624 N. 24th Street	248-7371
Bozeman	121 N. Willson	586-5455
Butte	206 West Granite	782-0417
Glasgow	238 2nd Avenue S.	228-9369
Great Falls	513 First Avenue S.	761-1730
Havre	416 First Street	265-5847
Helena	5 S. Last Chance Gulch	444-6455
Kalispell	427 First Avenue E.	257-5627
Miles City	12 North 10th Street	232-1316
Missoula	1203 West Mount Avenue	728-7060

WORKER'S COMPENSATION

Division of Workers' Compensation of Department of Labor and Industry.

All employers are required to carry insurance which provides compensation and medical benefits to employees injured on the job. Neither general liability nor health and accident insurance policies are substitutes for workers' compensation insurance. Employers may obtain coverage through certain private insurance companies or from the state-operated insurance program. Certain large employers with extensive assets are allowed to self-insure. Employers pay the insurance premiums based on a percentage of employees' salaries. The law prohibits employers from deducting or obtaining any part of the premium from employees. The only exceptions to the coverage requirements are:

1. household and domestic employees.
2. employees who do not work in the usual course of the employer's business operation.
3. members of the employer's immediate family dwelling in the employer's household (applies to proprietorships and partnerships only).
4. the owner of a sole proprietorship or the working partners of a partnership (however, the employees of such entities must be covered).
5. employees covered by federal compensation laws.
6. individuals performing services in return for aid or sustenance only (such as those working only for board and room), and
7. certain corporate officers receiving prior approval of the Division of Workers' Compensation for non-coverage (although other corporate employees must be covered).

Employers may obtain coverage through private insurance companies licensed to write workers' compensation insurance in Montana (Compensation Plan No. 2) or the State Compensation Insurance Fund which is a state operated insurance program (Compensation Plan No. 3). Certain large employers with extensive assets are allowed to self-insure (Compensation Plan No. 1).

Severe penalties can be assessed against an employer who does not carry workers' compensation coverage on employees who are not exempt from the coverage requirements. Also a non-covered employer is subject to potentially unlimited liability should an injured employee bring an action for damages due to an on-the-job injury.

Address: **5 South Last Chance Gulch**
Helena, Montana 59601
Phone: **(406) 444-6500**

INVESTIGATIONS BUREAU

Employment Relations Division of the Department of Labor and Industry.

This agency is responsible for the administration and enforcement of state laws pertaining to wages, hours, child labor, private employment agencies and other employment-related situations, (for example, the required posting of security bonds to assure payment of wages by contractors, bars and restaurants).

Address: **P.O. Box 1728**
Helena, Montana 59624
Phone: **(406) 444-5600**

DEPARTMENT OF COMMERCE BUSINESS REGULATION DIVISION

This agency enforces the laws pertaining to weights and measures.

Address: **1424 9th Avenue**
Helena, Montana 59601
Phone: **(406) 444-3164**

DEPARTMENT OF COMMERCE PROFESSIONAL & OCCUPATIONAL LICENSING BUREAU

This agency provides administrative, technical and clerical support for twenty nine professional and occupational boards, which are responsible for certification and regulation of various occupations affecting the health, safety and welfare of the public in Montana.

Address: **1424 9th Avenue**
Helena, Montana 59601
Phone: **(406) 444-3737**

DEPARTMENT OF COMMERCE BUSINESS ASSISTANCE DIVISION

This agency exists to encourage economic development in Montana. For more information call or write: Rebecca Baumann, Business Licensing Specialist.

Address: **1424 9th Avenue**
Helena, Montana 59601
Phone: **444-3923**
1-800-221-8015

SECRETARY OF STATE

The Secretary of State is custodian of official records for the state. His office issues certificates of incorporation to domestic corporations, provides certificates of authority for foreign corporations to transact business in Montana and registers limited partnerships. The Secretary of State also administers the Uniform Commercial Code.

Address: **State Capitol**
Helena, Montana 59620
Phone: **(406) 444-2034**

THE DEPARTMENT OF HEALTH AND ENVIRONMETNAL SCIENCES ENVIRONMENTAL SCIENCES DIVISION

This agency administers laws pertaining to air and water quality, occupational health, and consumer safety.

Address: **Cogswell Building**
Helena, Montana 59620
Phone: **(406) 444-3763**

BUSINESS TAX FORMS
ORDER FORMS

Qty.

_____ Accommodations Tax
Registration (ATR-1)
Cigarette Tax
_____ Cigarette License Application
_____ Cigarette Tax Decals (CT-201,2,4,7)
_____ Refund Application (CT-203)
_____ Cigarette Distributor Return (CT-205 & Sched A)
_____ Tax Exemption Certificate (CT-206)
_____ Untaxed Cigarette Sales Report (Sched C)
Consumer Counsel Tax
_____ Quarterly Report (CC-500)
Contractors Gross Receipts Tax
_____ Contract Award Report (PC-1)
_____ Gross Receipts Withholding Report (PC-2)
_____ Refund Application (PC-4)
Dangerous Drug Tax
_____ Illegal Drug Information Report (DD-1)
Emergency Telephone Tax - 911
_____ Quarterly Report (ET-911)
Freightline Tax
_____ MT Freightline Company Report (FL-1)
_____ MT Freightline Company Affidavit (FL-3)
Public Service Commission Tax
_____ Quarterly Report (PSCT-600)
Rural Electric & Telephone Cooperative License Tax
_____ Annual Report (RETC-901)
Store License Tax
_____ Store License Application
Telephone Company License Tax
_____ Quarterly Report (Telephone-1)
Tobacco Products
_____ Monthly Report (TP-101)
_____ Claims for Credit on Tobacco Products Tax (TP-102)
Tramway Tax
_____ Annual Report (TR-404)
Withholding Tax
_____ Registration (ER-1)
Magnetic Tape Filers
_____ Magnetic Tape Reporting

Name _____

Address _____

City _____ State _____ Zip _____

Department of Revenue
P.O. Box 5835
Helena, MT 59604

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